

Consulting Summary Report

July 25, 2012

To: John A. Crumpton, County Manager
 From: Consultants:
 Dan Parks, Small Business and Technology Development Center
 Ted Abernathy, Southern Growth Policies Board

Lee County has engaged the SBTDC (Dan Parks) and the Southern Growth Policies Board (Ted Abernathy) to consult and assist with a long-term economic growth plan. The primary charge given to the Consultants was to gain the Commissioners' input early in the process. The Consultants conducted Commissioners' interviews that took place during late April and June 2012. This report utilizes the results of the interviews – and offers recommendations on moving forward with the County economic growth planning process.

The following Commissioners were interviewed:

| Commissioner | Date Interviewed |
|---------------------------|------------------|
| Charlie Parks, Vice Chair | April 26, 2012 |
| Nathan E. Paschal | April 26, 2012 |
| Larry C. "Doc" Oldham | April 26, 2012 |
| Linda A. Shook, Chair | May 4, 2012 |
| Richard B. Hayes | May 4, 2012 |
| Jim Womack, Jr | June 4, 2012 |
| Robert T. Reives | Not interviewed |

Since strategic planning was conducted by the Chamber of Commerce and the Economic Development Commission in 2011 (i.e., Convergent Nonprofit Solutions), the Consultants wanted to understand the Commissioners' view of that initiative and its status. It is important to determine the status of previous initiatives in order to avoid duplication of efforts and to acknowledge the work of others.

Generally, the Commissioners expressed that the Convergent Plan was primarily directed at fund raising. While there were some good ideas, the plan asked the County to fund much of the activity. In addition, there was no clear implementation plan (with metrics, assignments, timelines, etc). The consensus was that the plan should be used with other documents as background, but that the Commissioners needed a new document.

In our interviews, the Commissioners were asked the following questions:

1. What do you see as effective outcomes (long-term; short-term) of our planning project?
2. What do you see as barriers to the County's economic growth?

3. What are collaboration opportunities?
4. What kinds of things can be done through this strategic initiative that will help this County with economic growth?
5. What do you see as other, larger issues for this County to sustain a competitive economy?
6. What can you say about the economic development plan developed for the Chamber and the EDC (i.e., Convergent Nonprofit Solutions) last year? What is the status? What parts have been implemented? Why? Why not?
7. Are there new ideas you can offer?
8. What further advice do you have for us on this strategy process?

Summary of Commissioners' Interview Comments

The following are representative comments that, in our view, capture the nature of the issues and what needs focus as the County moves forward:

To complete the current contract (August-October 2012):

The Consultants will:

- Expand the planning input; interview additional parties including mayors, town managers, community college, school leaders, chamber leaders, EDC, leading employers, and small businesses.
- Identify best practices for County economic development including focus, organizational structure, collaboration, and funding models.
- Lay the groundwork; complete the input phase and build the plan architecture this year for a comprehensive plan next spring in time for the budget cycle.
- Further, frame the feedback into major goals for the long-term County growth plan.

Additional Work to Develop County Approach (November 2012- April 2013):

In concert with County leadership, the Consultants will:

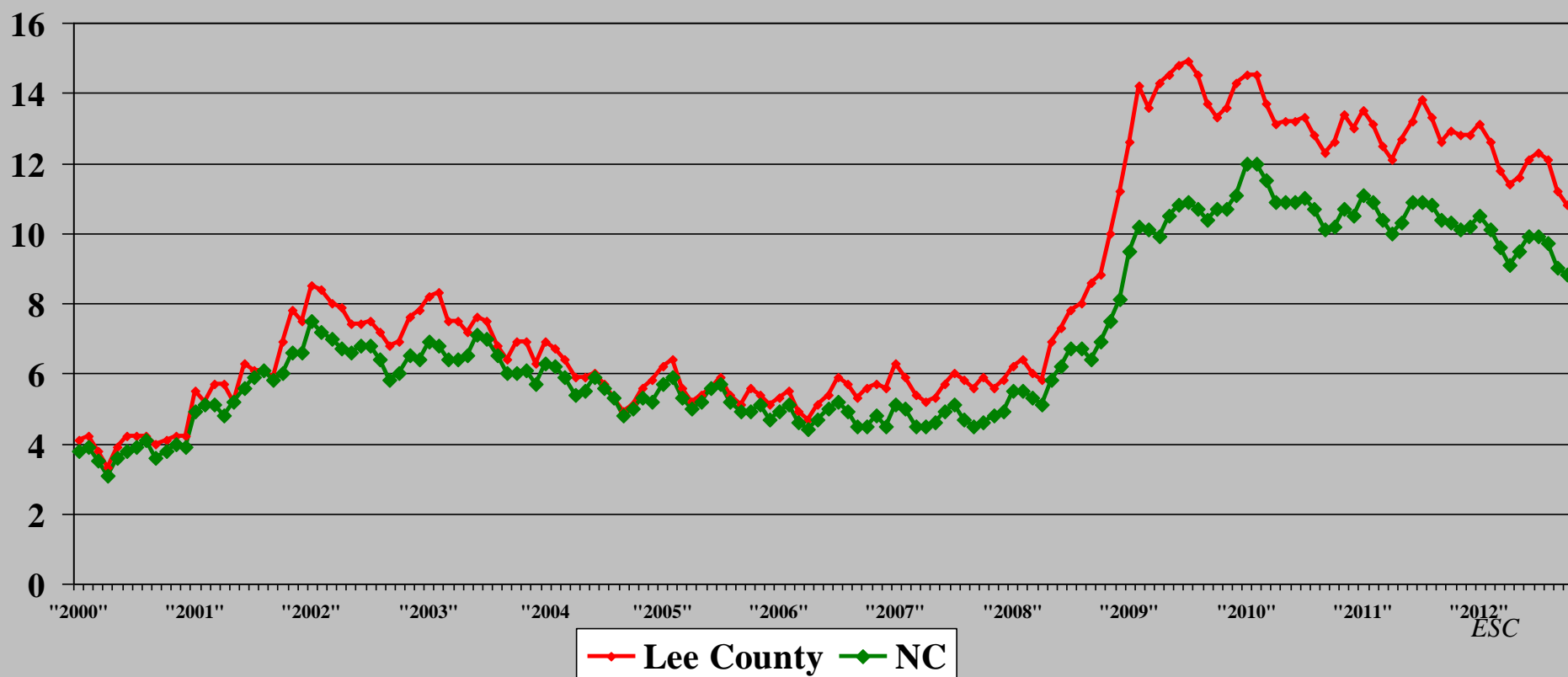
- Explore and provide appropriate comparative economic performance data.
- Involve the private sector in economic development as stakeholders and contributors. Engage business leaders in the County growth plan.
- Evaluate all potential delivery mechanisms for economic development/growth. Consider public-private approaches.

- Analyze targeted clusters for growth including new business growth directions/clusters (e.g., shale gas).
- Explore multiple sectors for economic growth including tourism, agriculture, etc.
- Identify appropriate resources and offer a plan for support of existing (and small) businesses.
- Utilize the Community College – both as an asset to support existing companies and to attract new industry.
- Assist in establishing a marketing process for the County.
- As part of the attraction strategy, explore for cross-regional opportunities such as with the Piedmont Triad, Ft. Bragg, etc. (Recognize that the Lee County location offers multiple partnership opportunities and options.)
- Review incentive policies and ensure that they have effective provisions, based on ROI to the County.
- Focus on business climate issues including tax policies.

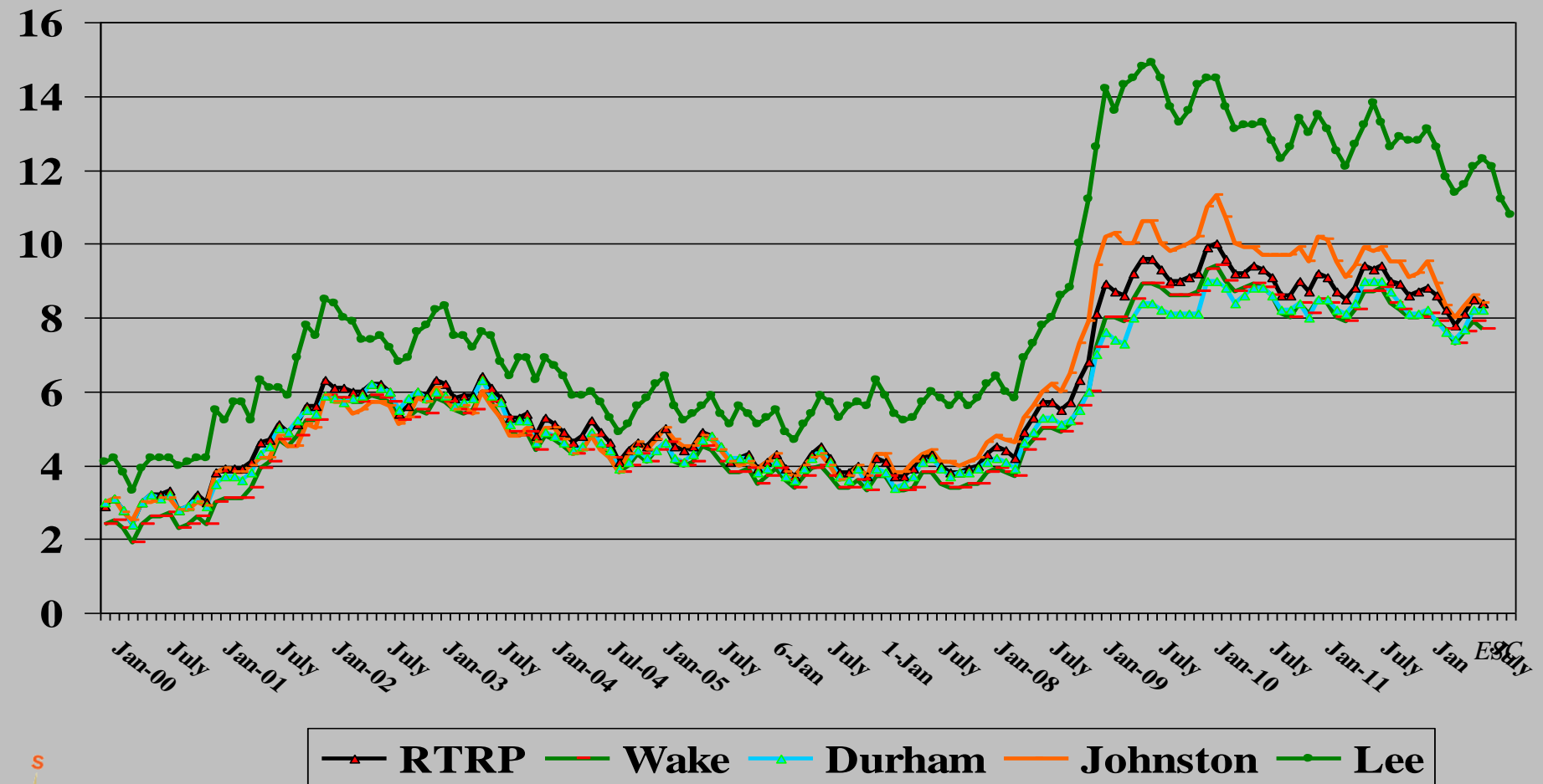
The Current Lee County Economy

**Where
Is Lee
County
Today?**

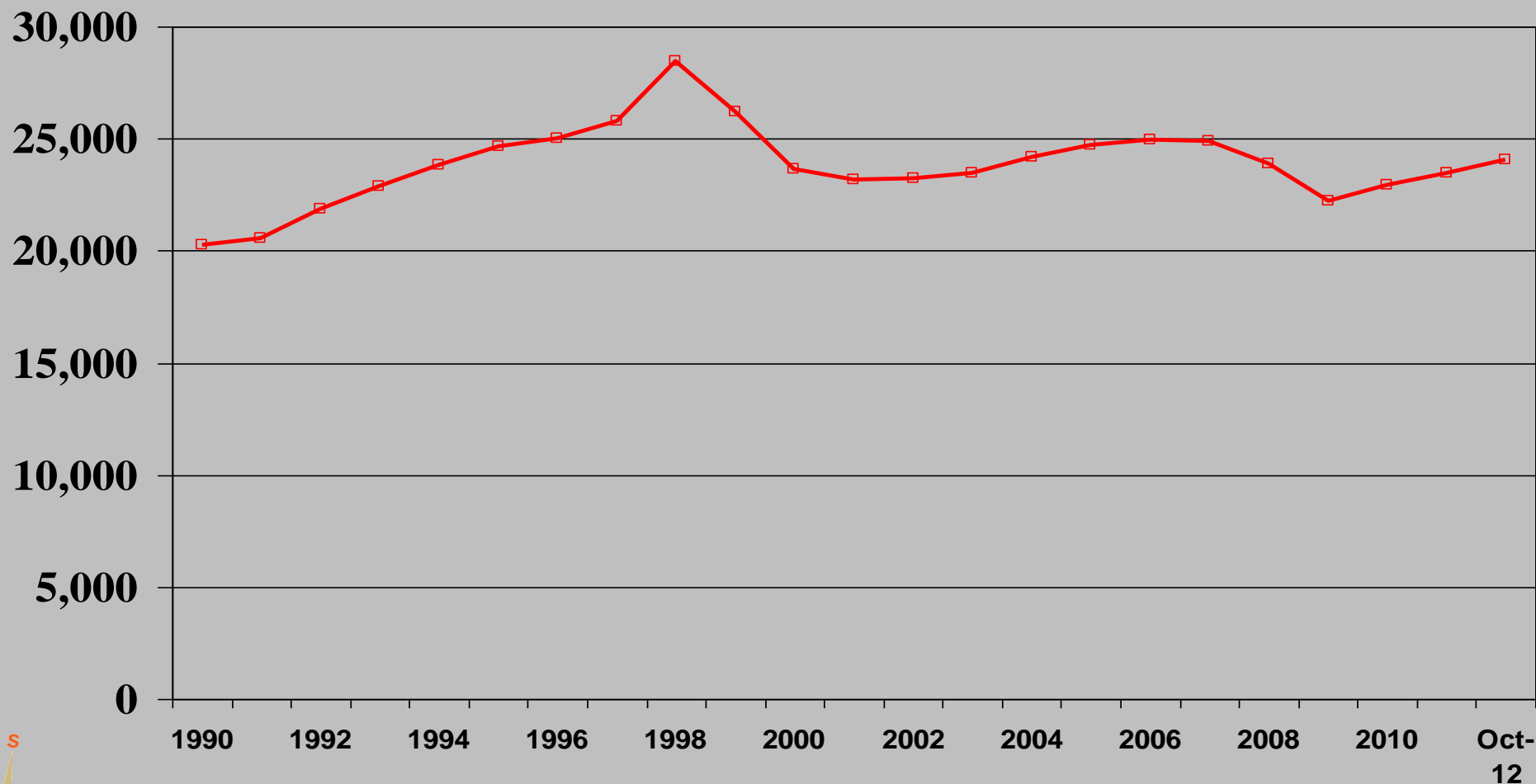
Lee County Unemployment Percentage 2000 Through July 2012



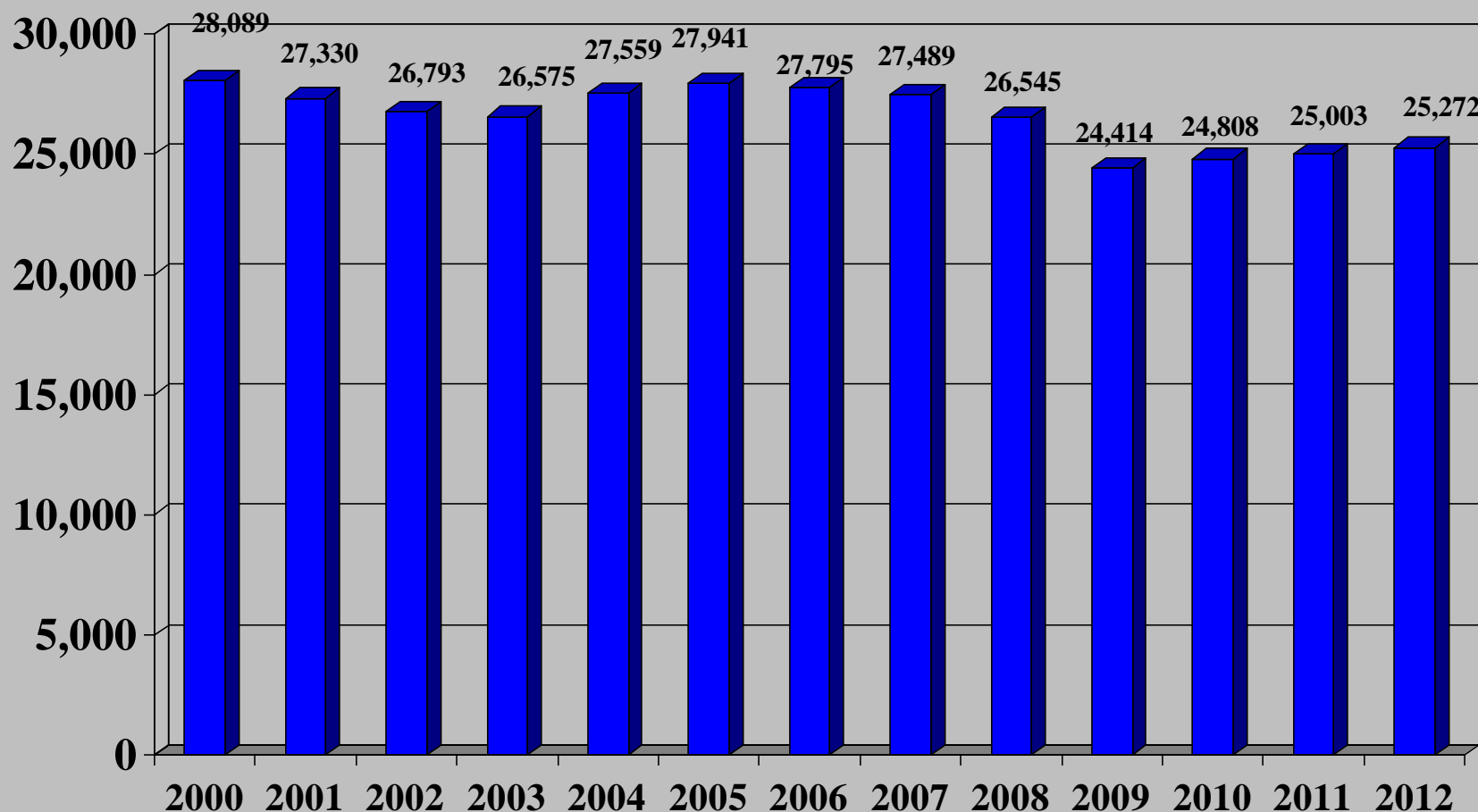
Unemployment % Since 2000



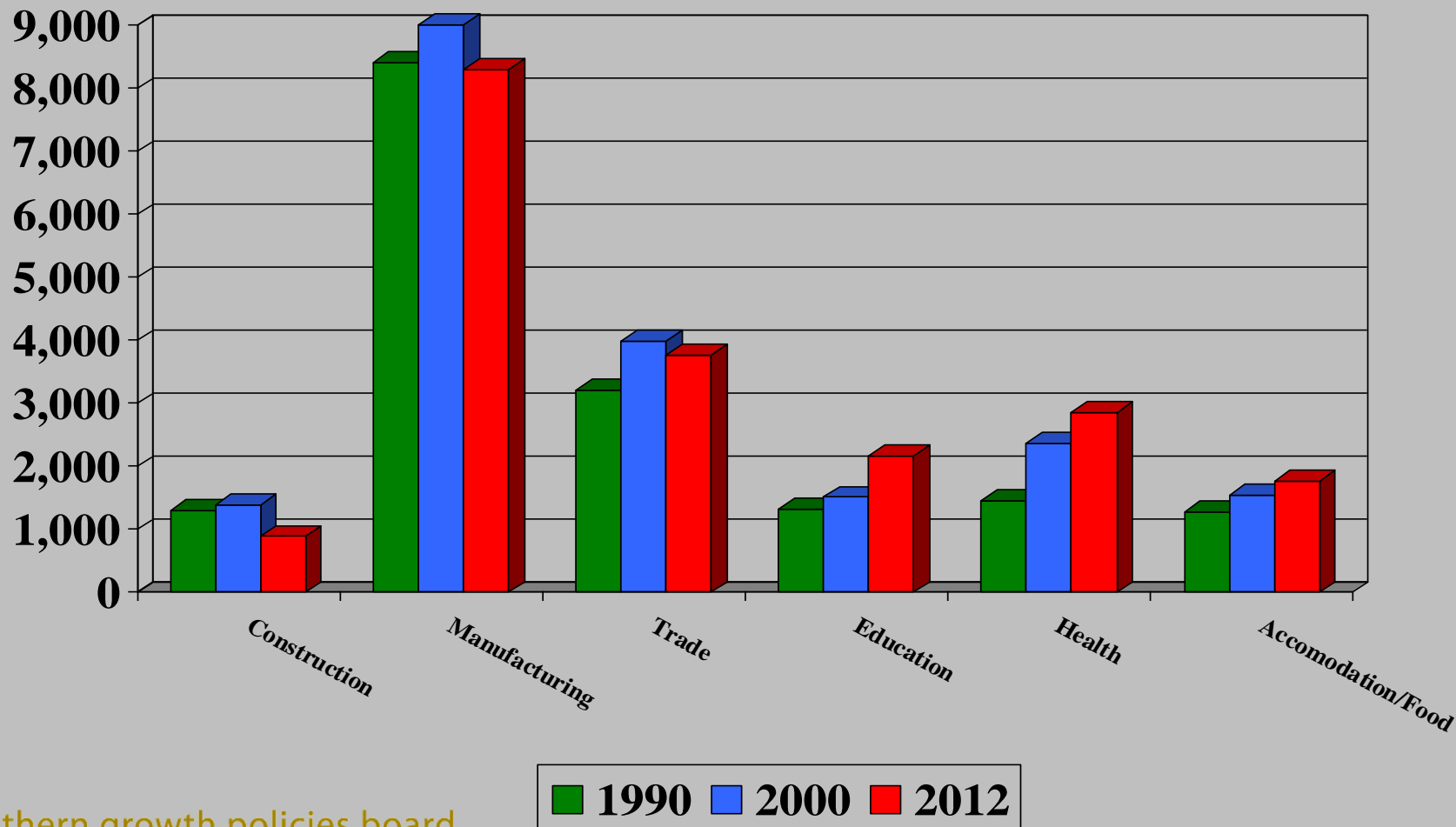
Lee County Residents Employed



Lee County In-County Jobs



Lee County In-County Jobs



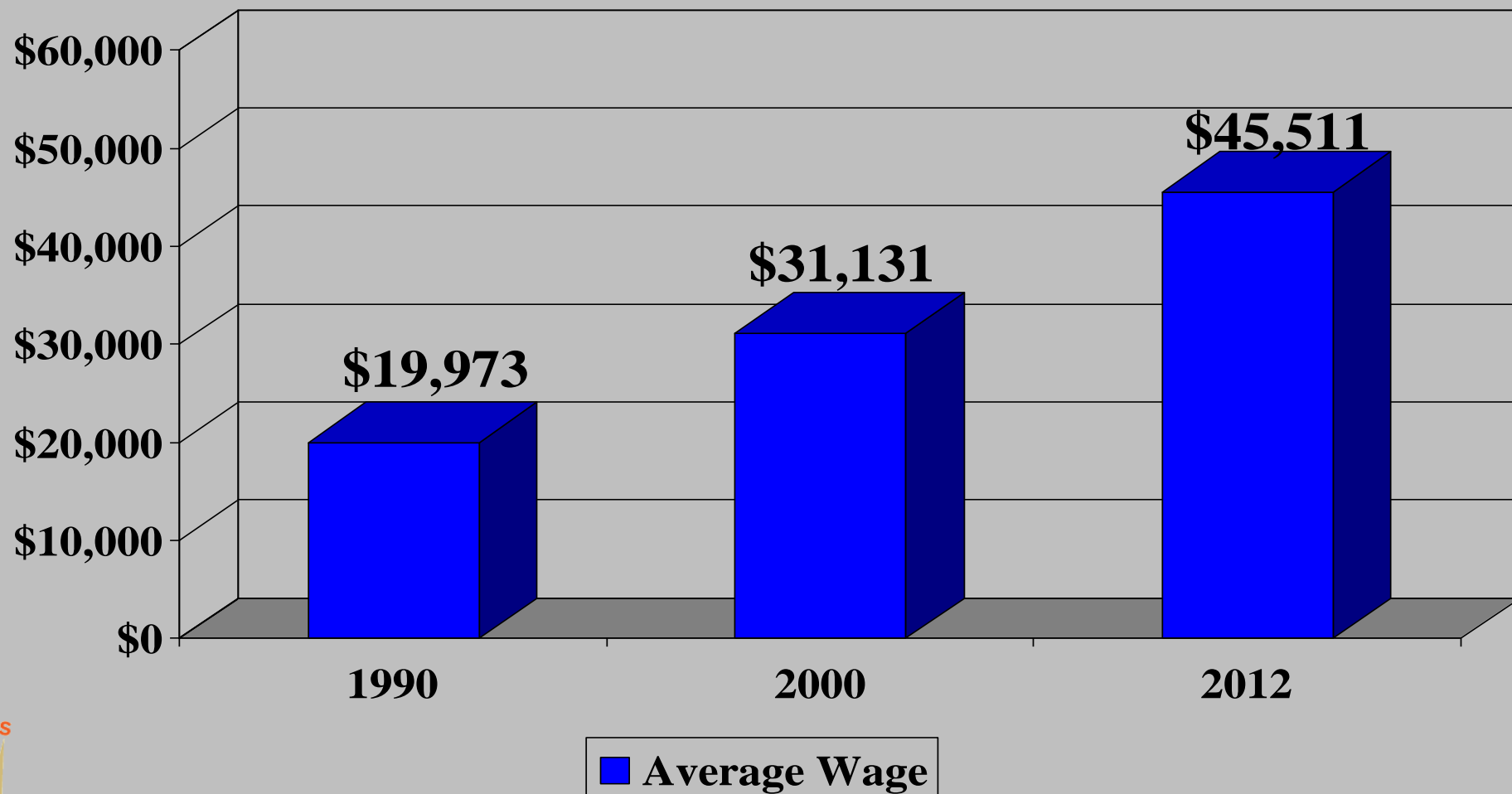
Lee County

In-County Job Ave. Wages



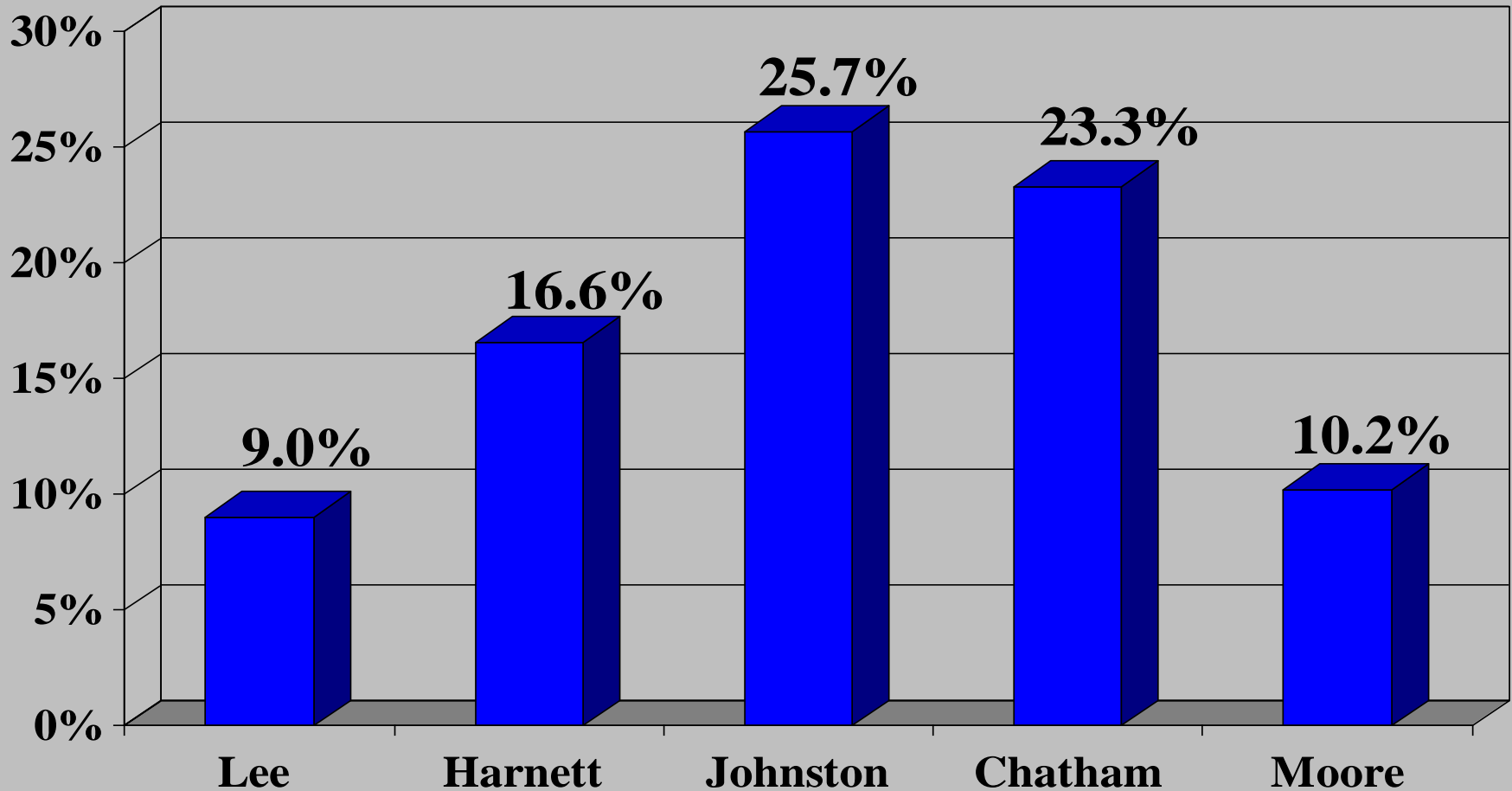
Lee County

Ave. Wages-Manufacturing

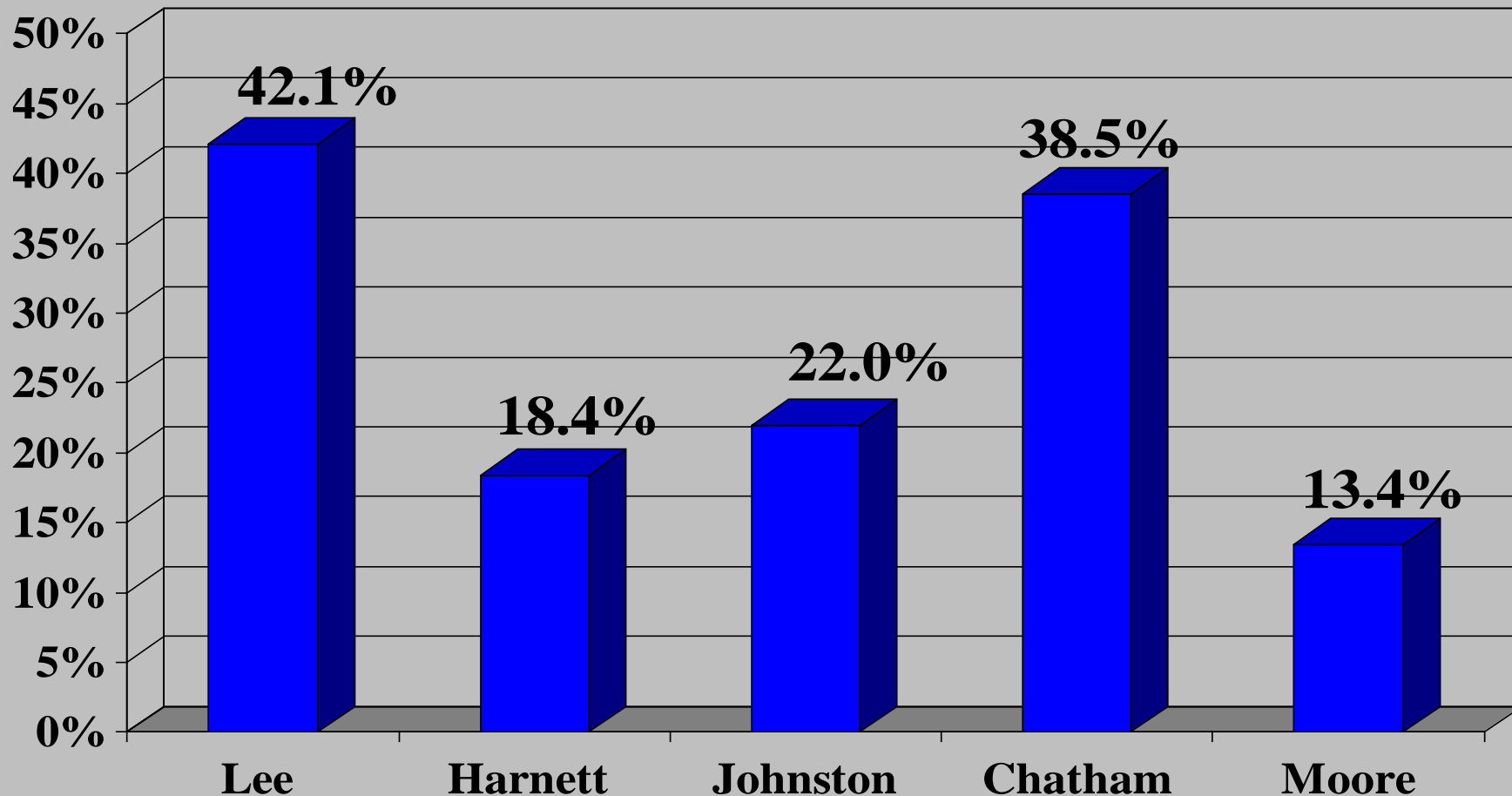


Labor Force Change 2000-2011

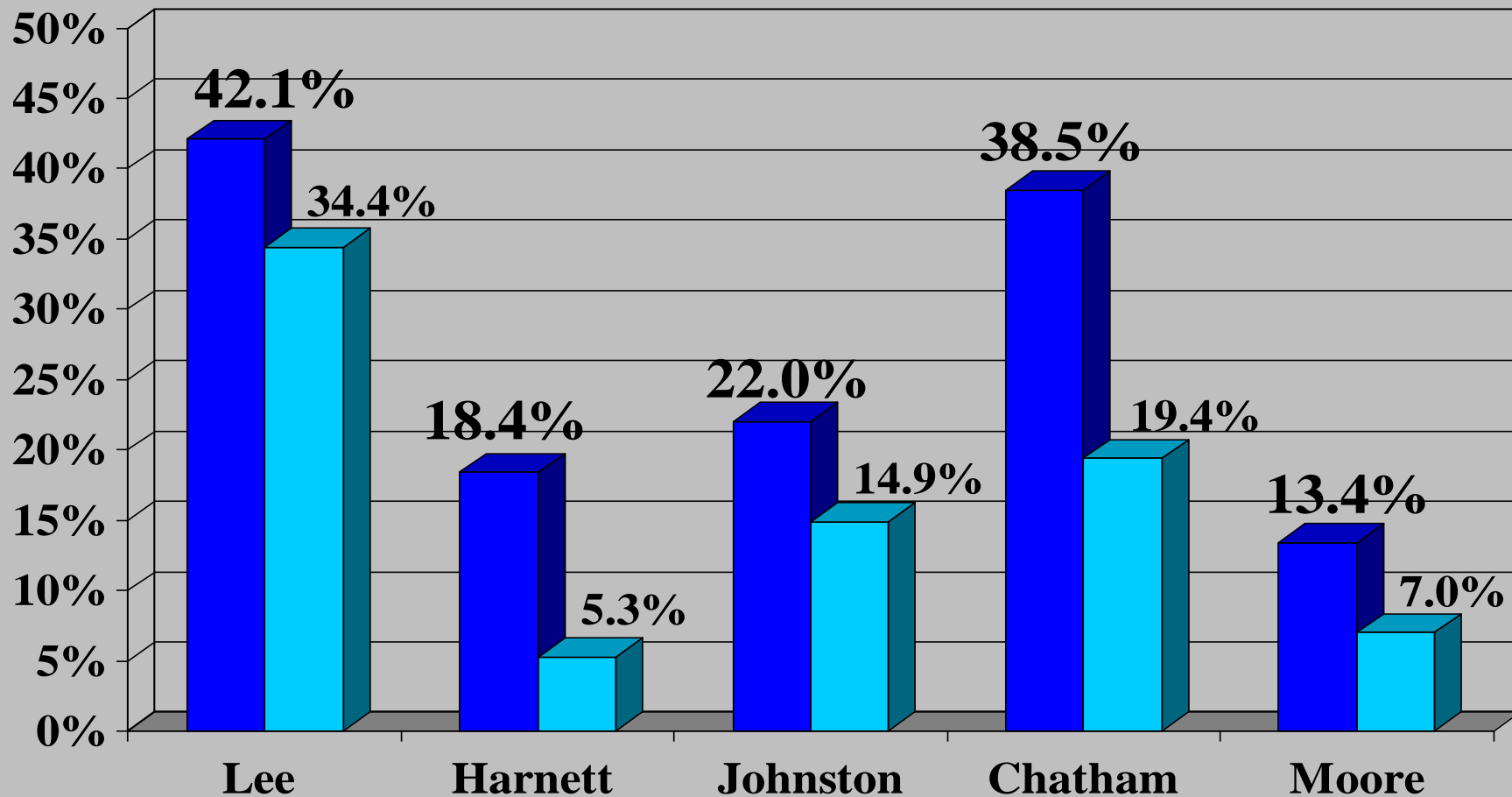
Appendix #14



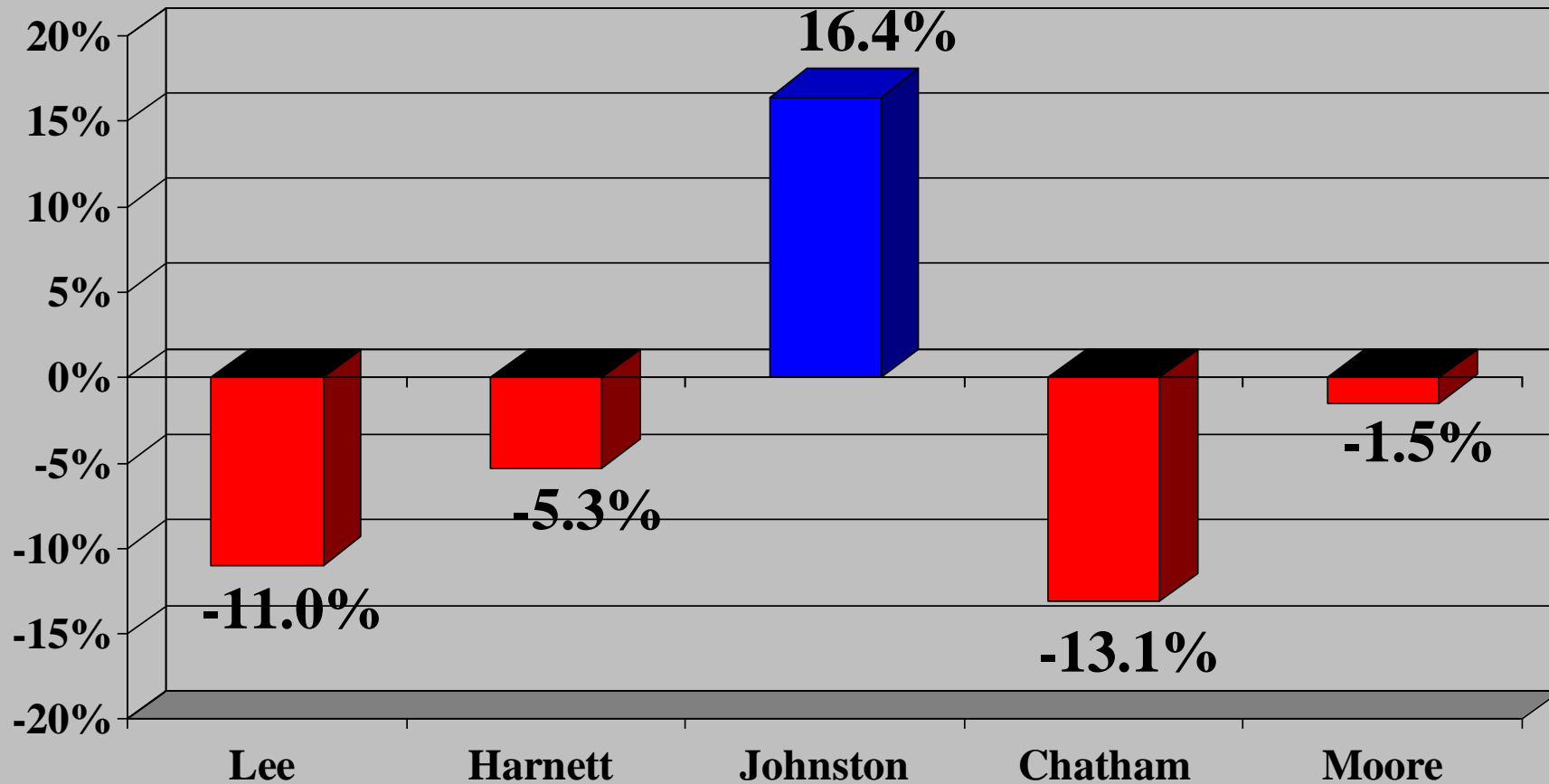
% of In-County Jobs In Manufacturing 2000



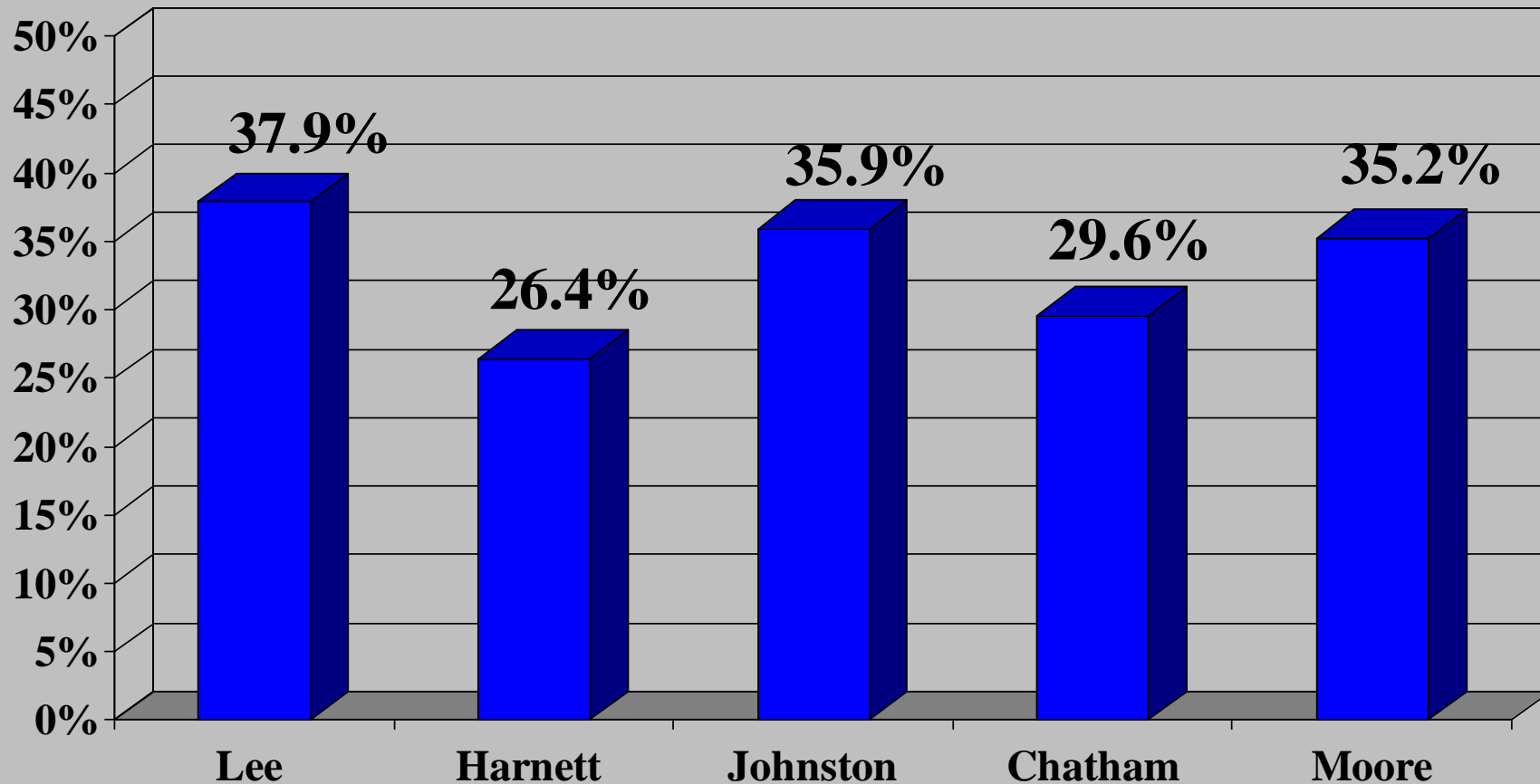
% of In-County Jobs In Manufacturing 2000 % 2011



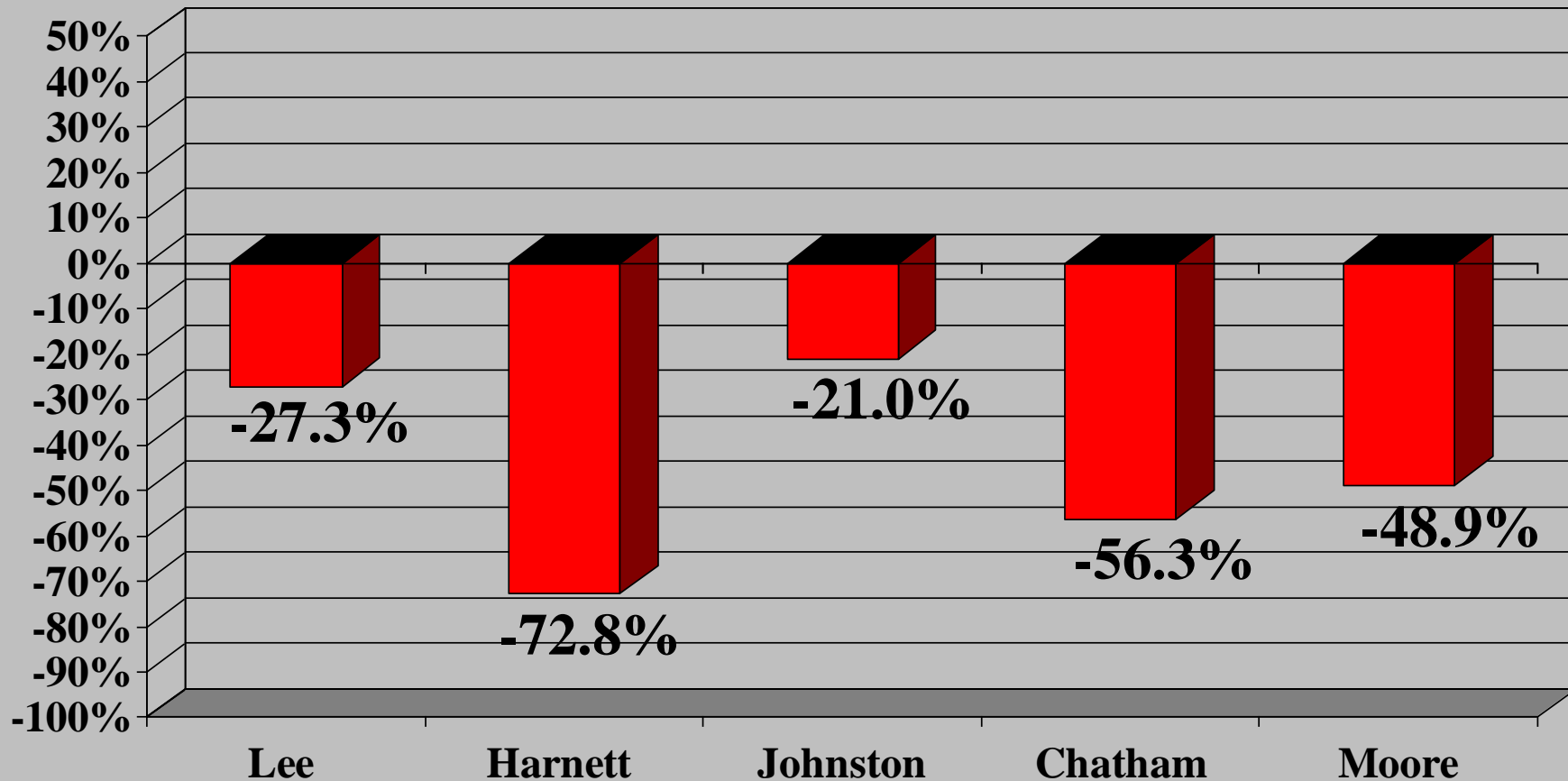
In-County Job Change 2000-2011



In-County Job Wage Change 2000-2011

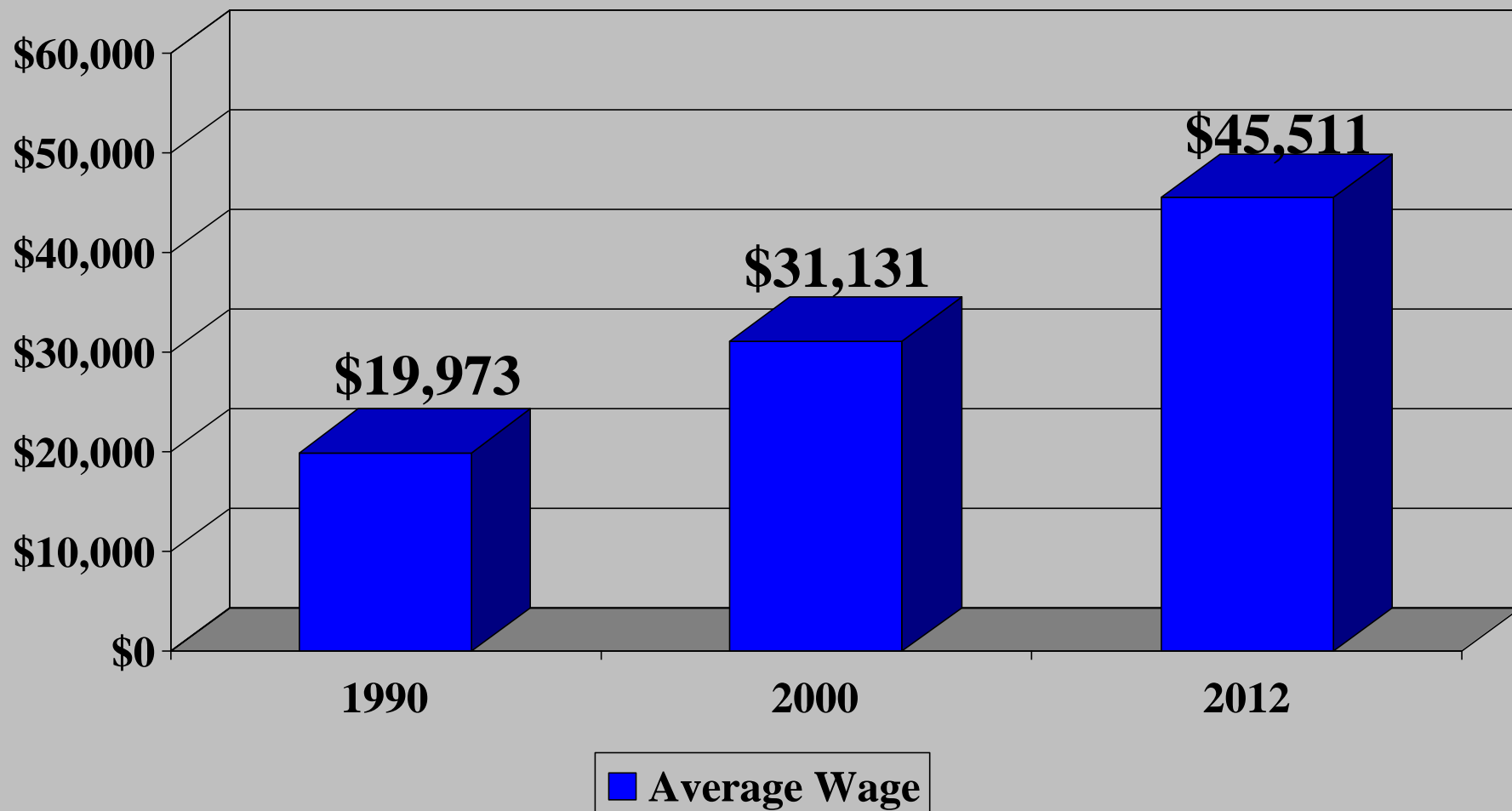


In-County Manufacturing Job Change 2000-2011



Lee County

Ave. Wages-Manufacturing



FINDINGS & RECOMMENDATIONS

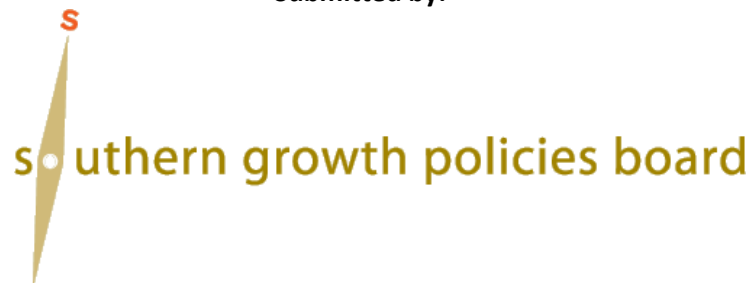
For:

LEE COUNTY



December 28, 2012

Submitted by:



And:





TABLE OF CONTENTS

| SECTION | | PAGE |
|-------------------|--|------|
| Key Contacts | | 2 |
| Executive Summary | | 3 |
| | ▪ Commissioner Interviews | 3 |
| | ▪ The Charge | 3 |
| | ▪ Community Leader Interviews | 4 |
| | ▪ Insights from Community Leaders | 5 |
| | ▪ Lee County Current Reality | 6 |
| | ▪ Choices | 6 |
| | ▪ Summary of Key Recommendations | 6 |
| | ▪ Next Steps | 6 |
| 1.0 | Lee County Current Reality | 7 |
| 2.0 | Options for Delivery of Economic Development Services | 11 |
| 3.0 | Key Recommendations | 13 |
| | 1. Engage the Private Sector | 13 |
| | 2. Utilize an Effective Economic Development Mechanism | 13 |
| | 3. Tell the Lee County STORY | 13 |
| | 4. Optimize Existing Assets | 13 |
| | 5. Focus Workforce Development Efforts | 13 |
| | 6. Support SMEs and Existing high-growth companies | 13 |
| | 7. Develop an Entrepreneur Ecosystem | 14 |
| | 8. Explore New Options for Wealth Generation | 14 |
| 4.0 | Next Steps | 15 |
| 5.0 | Appendices | 17 |
| | #1 Consultants' Summary Report | |
| | #s 2 to 15 Lee County Economy | |

Key contacts for this project are:

Ted Abernathy

Executive Director
Southern Growth Policies Board

P.O. Box 12293
Research Triangle Park, NC 27709
919-941-5145
tabernathy@southern.org

Dan Parks

State Program Director
Strategy & Organization Development
SBTDC

115 Pomona Drive
Greensboro, NC 27407
336-315-7528
dparks@sbtadc.org

Southern Growth Policies Board

The Southern Growth Policies Board's strengths in economic development, strategic planning, future trend analysis, and leadership engagement combined with its staff's expertise makes it uniquely qualified to help Lee County to develop a new comprehensive approach to economic development.

Formed in 1971, Southern Growth has helped states, regions and organizations:

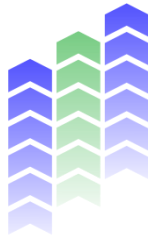
- Understand the economic landscape of the South
- How trends are influencing their work
- How to translate information and community priorities and values into plans for future success

SBTDC @ NC State University

Having worked on a number of large-scale projects, the SBTDC brings a depth of experience and knowledge to economic development growth planning.

Established in 1984, the SBTDC is North Carolina's Business and Technology Extension Service. The SBTDC is an inter-institutional program of The University of North Carolina System, administered by N.C. State University. The SBTDC provides research, strategy, education, and counseling services to:

- Entrepreneurs and Small businesses
- High-Growth and Midsize Companies
- Economic Development and Community-Based Organizations
- Government Agencies and University Departments



EXECUTIVE SUMMARY

Lee County has engaged the Southern Growth Policies Board (Ted Abernathy) and the Small Business & Technology Development Center (SBTDC) @ NC State University (Dan Parks) to consult and assist with recommendations for an economic growth plan.

Southern Growth and the SBTDC are pleased to submit our findings and recommendations to the Lee County Commissioners. It is understood that the Board will want to fully review these findings, potentially make changes, and then consider the priorities that will set the stage for a comprehensive strategic plan.

Throughout this project, we appreciate the openness and feedback we received from Lee County leaders. We were impressed by their commitment to do what is needed in the County, but we were especially taken with the care that people expressed for “this place.” Going forward, one of the great assets the County will need to call upon is its pool of “ambassadors.”

The Charge

The Consultants conducted interviews with the County Commissioner during late April and June 2012 (see appendix #1). From the Commissioner interviews, the charge was modified from the development of a long-term strategic plan to essentially laying the groundwork for a comprehensive economic growth strategy in 2013. Commissioners provided the following instructions to the consultants:

1. Expand the planning input; interview additional parties including mayors, town managers, community college, school leaders, chamber leaders, EDC, leading employers, and small businesses.
2. Identify best practices for County economic development including focus, organizational structure, collaboration, and funding models.
3. Lay the groundwork; complete the input phase and build the plan architecture this year for a comprehensive economic growth strategy next spring in time for the budget cycle.
4. Frame the feedback into major goals for the long-term County growth plan.

Community Leader Interviews

Following the charge of the Commissioners, the Consultants conducted interviews with Lee County leaders. Below is a list (in order of earliest to latest) of the Lee County leaders who spoke with us:

1. Kirk Bradley, Lee-Moore Capital Co
2. Bud Marchant, President, Central Carolina Community College
3. Tom Dossenbach, Vice Chair, Airport Authority
4. Chet Mann, LEED and Prime Lending
5. Bob Joyce, Sanford Chamber
6. Dr. Lynn Smith, Chairman, Board Of Education
7. Dr. Jeff Moss, Superintendent, Lee Co Schools
8. Donald Andrews, Mayor of Broadway
9. Donnie Oldham, Chair of the Economic Development Commission
10. Russell Underwood, Underwood Pump
11. Tom Snell, Chair, Sanford Chamber
12. Robin Perkins, Frontier Spinning
13. Cathy Swindell, Central Carolina Community College
14. Dale Fey, Central Carolina Community College
15. Brad Crace, Caterpillar
16. Keith Clark (blogger)
17. Dr. Pamela G. Senegal, VP Economic & Community Development, Central Carolina Community College

Two other folks were scheduled for an interview, but had to cancel: Cornelia Olive, Sanford Mayor and Chris Cameron, Cameron Testing.

The consultants posed the following questions to the Community Leaders. These were the same questions used earlier in the Commissioner interviews:

1. What is Lee County's image currently? What can it be in 5 years?
2. What are realistic competitive advantages that Lee County has?
3. What sectors/industries will be most important for future jobs and investment in Lee County?
4. What do you see as effective outcomes (long-term; short-term) of our planning project?
5. What do you see as barriers to the county's economic growth?
6. What are collaboration opportunities?
7. What kinds of things can be done through this strategic initiative that will help this county with economic growth?
8. What do you see as other, larger issues for this county to sustain a competitive economy?
9. What can you say about the economic development plan developed for the Chamber and the EDC (Convergent Nonprofit Solutions) last year? What is the status? What parts have been implemented? Why? Why not?
10. Are there new ideas you can offer?
11. What further advice do you have for us on this strategy process?

Key Insights from Lee County Community Leaders

No community is perfect and all factors are considered in the context of how one place compares and competes with the others. As part of the interview process with local leaders, the insights below were compiled. The consultants considered these insights carefully and factored them into recommendations and needed next steps:

| | | |
|---|---|--|
| <p>REALISTIC COMPETITIVE ADVANTAGES</p> <ul style="list-style-type: none"> Community College (industrial training) Location Water Airport Shale gas reserves <p>MIXED REVIEWS</p> <ul style="list-style-type: none"> K-12 Tourism/Visitors QOL amenities Industrial Park (not prominent) History/Legacy Sanford Pottery Fest | <p>IMAGE</p> <ul style="list-style-type: none"> Poor job of getting out message Tell the story differently Get the attributes out there—close to the Triangle, the Triad, Fort Bragg Low cost of living Known as having a # of small to midsize manufacturers | <p>BARRIERS TO LEE COUNTY'S GROWTH</p> <ul style="list-style-type: none"> Lack of collaboration; no means to address Lack of workforce skills No effective message/story Lack of an holistic approach to economic growth No visitors' bureau Lack of clear policy/agreement on incentives Lack of leadership Lack of a plan Lack of available quality buildings Slow regulatory process Inability to attract/retain talent |
| <p>WHAT WILL HELP LEE COUNTY</p> <ul style="list-style-type: none"> Agree on structure for economic development Involve the private sector; engagement Optimize assets—notably the community college—impact on recruiting and support of existing businesses Support targeted high-growth companies Tell our story Optimize our infrastructure Explore other options—energy, support for existing and growing businesses, tourism |  | <p>EFFECTIVE PLAN OUTCOMES</p> <ul style="list-style-type: none"> Look longer term, have a comprehensive plan Be able to tell the story Stronger industry input (CEO forum) Improve collaboration-communication Create a compressive delivery structure for economic development; with effective capacity and community-wide support Support entrepreneurship Support existing small to midsize companies Explore tourism |

Lee County Current Reality

Lee County's economy is being impacted by transitional trends impacting the United States economy. The contracting manufacturing sector nationally has resulted in Lee County job losses. As a collar county Lee County has grown population and jobs at a slower pace than the more urban parts of the region. Globally, locational factors have evolved, challenging Lee County to continue to improve to successfully compete.

Choices

To have a more effective economic development effort, Lee County must make two complex choices. First, based on the resources that the County Commissioners, and maybe others, will contribute to the effort, what do you want to try to accomplish? The second decision is how to you want to deliver these services? Clearly articulated goals, transparency to the community, and resources and help from the existing private sector businesses will improve the chances of success. Multiple structural options exist and each has strengths and weaknesses.

Summary of Key Recommendations

1. Directly engage private sector in the economic development process.
2. For recruitment, utilize an effective economic development delivery mechanism.
3. Tell the Lee County Story better.
4. Optimize existing assets.
5. Focus more effort on workforce development.
6. Support midsize and existing high-growth companies.
7. Create an Entrepreneur Ecosystem.
8. Explore new options for wealth generation.

Next Steps

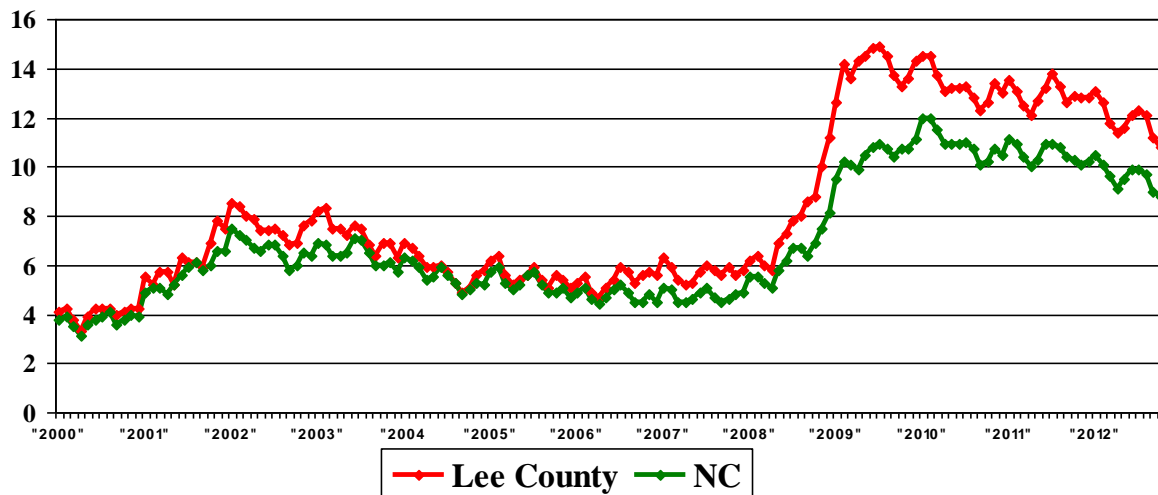
The next steps for the newly constituted Board of County Commissioners should be to determine their collective economic development priorities as soon as possible. A community-wide economic development summit could then be used to determine if the next step is the development of multiparty, multiyear strategy for economic growth or County Commissioners only approach for 2013.

1.0 LEE COUNTY CURRENT ECONOMIC REALITY

When examining Lee County's economy three trends jump out. Each is associated with transitional trends impacting the United States economy. First, the manufacturing sector, which dominates the Lee County economy, has been contracting nationally, more so in recent years, and the impacts have hit Lee County hard. Second, although the Research Triangle Region is one of the nation's fastest growing metropolitan areas, both in population and jobs, Lee County has grown at a slower pace. Finally, as locational factors have evolved, Lee County's "product" is mixed and must continue to improve to successfully compete.

The Lee County economy has struggled to recover from a devastating recession that saw local unemployment rates climb to almost 15%. In contrast, the unemployment rates in the 2001 recession peaked at just over 8%. Through the last decade Lee County's unemployment rate has closely followed the state of North Carolina and remained consistently slightly higher than the unemployment rate for the Research Triangle Region. Since 2008, the local rate has stayed considerably higher than the regional rate and is also higher than the North Carolina rate.

Lee County Unemployment Percentage 2000 Through July 2012



Even as the County unemployment rate has dropped over the past 3 years, now below 11%, the rate remains unacceptable high.

One of the primary reasons is the heavy local dependency on the manufacturing sector. Lee County has lost many manufacturing jobs in recent years and has only been able to replace some of those jobs. The percentage of jobs in manufacturing still constitutes over one third of all jobs, 34.4%. Compared to neighboring counties, Chatham (19.4%), Johnston (14.9%), Moore (7.0%) and Harnett (5.3%), Lee County's manufacturing is a more dominate feature of the economy and national manufacturing trends have a disproportionate impact.

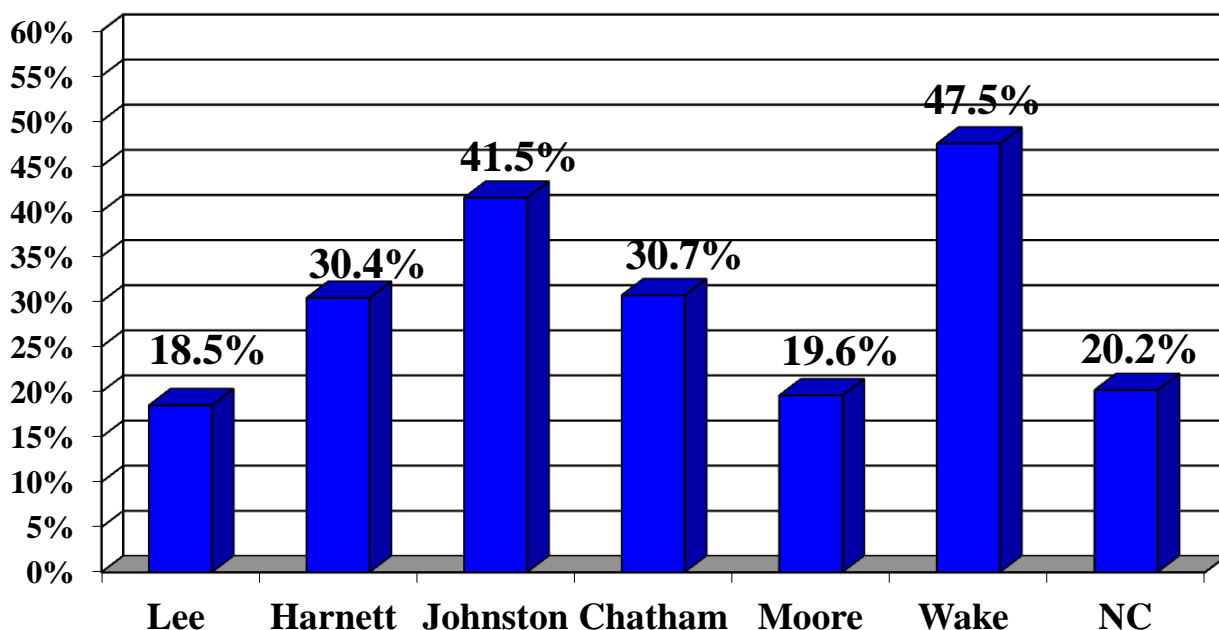
North Carolina's total jobs in the manufacturing sector dropped 43% from 2000 to 2012, reflecting the national impacts of globalization and efficiencies. The impact in our state has been more pronounced because North Carolina's economy, (gross state product), derives a higher percentage from

manufacturing, 19 percent, than our neighbors. The average for the South is 11 percent. In the past two years, there has been a limited resurgence in manufacturing nationally including some re-shoring of jobs and an increase in foreign direct investment. Although North Carolina has added about 9,000 manufacturing jobs over the past 2 years, about 2 percent, Lee County has lost an additional 3% of its manufacturing jobs.

Since 2000, the manufacturing jobs have continued to change and companies demand higher skills from their employees. This is also reflected in the jump in manufacturing wages from an annual rate in Lee County of \$31,131 in 2000 to 2012 wages of \$45,511. Overall average wages of in-county jobs are higher in Lee County than in the surrounding counties.

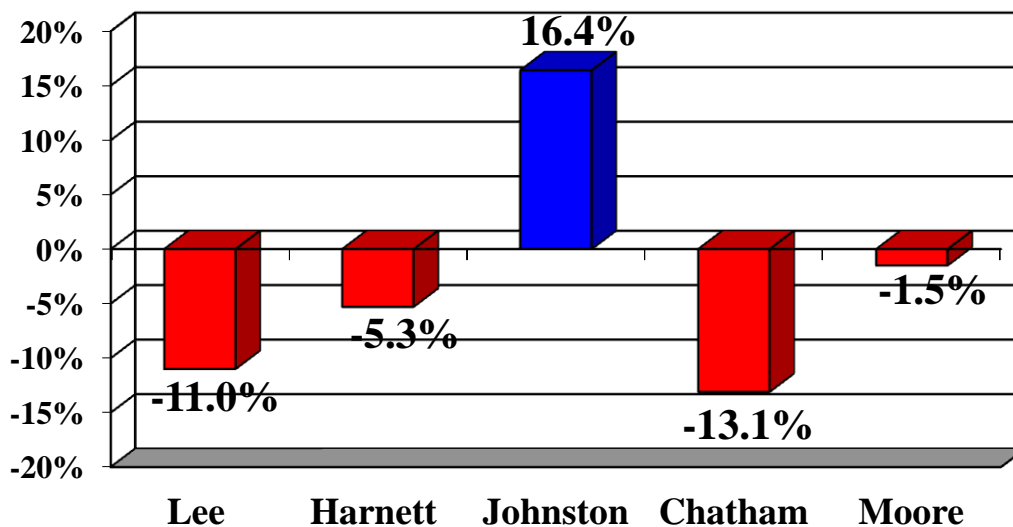
Like all the surrounding counties, Lee has experienced population growth since 2000. However; Lee County's growth (17.6%) has been slower than its neighbors, much lower than Wake County, the closest large urban county, and slower than the state average. Part of the explanation is the global trend toward urbanization. Urban areas across the United States and the world have been growing at a much faster rate attracting rural residents and young people entering the workforce for the first time.

Population Change 2000-2011



More problematic for Lee County's economy is the lack of growth of in-county jobs. The number of Lee County residents employed has grown slightly reflecting the population growth, but the number of jobs within the county has dropped. This trend is reflected in most of the non-urban counties in the state and among most of the surrounding counties. Due to more commuting the impacts are felt more in tax base growth. While the balance of labor force and in-county jobs is almost equal, about 30 % of Lee county residents out commute each day and about the same percentage of in-county jobs are fill with people commuting in to Lee County.

In-County Job Change 2000-2011



Additional charts reflecting the current state of the Lee County economy are included (appendices #'s 2-16) and show that:

- While there have been job losses in manufacturing, construction, and trade there have been job gains in health and education services and accommodations and food services.
- Overall average wages in Lee County have been growing steadily
- North Carolina's economy has been transitioning dramatically over the past 10 years with huge sector swings in employment

The locational factors that influence site location have been evolving in recent years. Some of these changes are benefitting Lee County while others are creating challenges. For different types of companies different factors are more important and with intense national and global competition for jobs, investment, and talent the bar to be successful continues to rise.

There are dozens of factors that any community needs to develop. The top factors are a combination of costs, labor, infrastructure, location and regulation.

On the following page are the top 10 locational factors that were expressed by businesses executives and site selection consultants in two recent studies:

Factors Identified as Most Important for New Investment by *Area Development Magazine* Survey of Site Selection Consultants in 2011:

1. Highway accessibility
2. Labor cost
3. Available skilled labor
4. Corporate tax rate
5. Occupancy costs
6. State and local incentives
7. Energy availability and cost
8. Tax exemptions
9. Proximity to markets
10. Low Union Profile

What Matters Most in Site Selection as Determined By a *Site Selection Magazine* Survey of Business Executives in 2012:

1. State & local tax scheme
2. Transportation infrastructure
3. Utility infrastructure
4. Land/building prices & supply
5. Ease of permitting and regulatory process
6. Existing workforce skills
7. Local economic development strategy
8. Legal climate
9. Availability of incentives
10. State economic development strategy

2.0 OPTIONS FOR DELIVERY OF ECONOMIC DEVELOPMENT SERVICES

Throughout this project there was considerable interest, and many suggestions, from interviewees, on both the focus and delivery structure for economic development activities in Lee County. Although there have been several attempts to develop a strategy to improve the County's economy no comprehensive strategy exists. Many existing efforts from different organizations successfully contribute to economic well-being of the community, but with no overall strategic direction there is no way to adequately measure comprehensive success.

Our approach to economic development is summarized in two slides that we shared at our initial meeting with the County Commissioners. First, for a County to meet its economic development objectives it must have a good understanding of its current economic position and also where it aspires to be in the future. It must then have clear actionable, achievable, and intentional actions to move from where it is, to where it wants to be. To be successful those actions need to be clear, appropriately resourced, and continuously measured and adjusted.



Second, a comprehensive approach to economic development that recognizes the relationship between wealth that comes into a community and economic prosperity is best. All businesses big and small that attract money to a community, known as traded clusters, contribute positively. Visitors spending money, out of county students paying tuition, out-of-county shoppers leaving retail sales dollars, and farmers selling products can also have significant impacts. Across North Carolina county economies and economic development priorities vary greatly based on the choice they have made and the resources they have committed.

Choices

To have a more effective economic development effort, Lee County must make two complex choices.

First, the County Commissioners, and maybe others, will contribute to the effort, what do you want to try to accomplish? There is no one right answer. Successful counties make different choices. Among our interviewees there was considerable support for increased efforts in small business assistance, support to existing and midsize businesses, more workforce training, a new visitor effort, and expanded branding and recruitment. With sufficient resources each focus could contribute to the economy.

The second decision, best decided after the first, is how to you want to deliver these services?

Currently the Lee County EDC, as a mostly publicly funded not-for-profit, manages business recruitment and client management, the Central Carolina Community College and the SBTDC provide small business services, the Chamber of Commerce provides some services to existing businesses, the community college and the school system have various worker training efforts, and several other groups are

involved in other ways. Many additional groups are involved in developing the Lee County “product” (water, sewer, airport, buildings and sites etc.)

There are many options for delivery of services (see chart below). Different funding resources will dictate some of the choices. Lee County could continue with a multiple organizational approach, but with increased alignment and effort. The synergies derived from alignment and coordination usually works the most efficiently. The most effective economic development efforts are usually public-private collaborations and include funding from multiple sources. Among neighboring counties, each is organized in a slightly different way and each has different resource priorities. No matter which option is chosen, clearly articulated goals, transparency to the community, and resources and help from the existing private sector businesses will improve the chances of success.

| <u>FOCUS OPTIONS</u> | <u>Activities</u> | <u>Characteristics</u> | <u>STRUCTURE OPTIONS</u> |
|-------------------------------------|---|---|--|
| Attraction of New Investment | <ul style="list-style-type: none"> Recruitment Marketing/branding Trade shows/site selector | <ul style="list-style-type: none"> All private funds Business to business Disconnect with public | Private Committee of 100 or Other |
| Existing Industry Support | <ul style="list-style-type: none"> Retention-visitations Export promotion Supply chain coordination | <ul style="list-style-type: none"> Usually all public funds Broad goals, political Disconnect from private | Public County, City or Some Combination |
| Visitor Revenue Promotion | <ul style="list-style-type: none"> Special events production Day trips/bus tours Conference attraction | <ul style="list-style-type: none"> Usually public and private funds Contract with govt. for services Member influenced | Chamber of Commerce |
| Human Capital Development | <ul style="list-style-type: none"> Customized training Apprentices- OJT Curriculum coordination | <ul style="list-style-type: none"> Flexible funding Current situation Easier than (3) to get approved | Public-Private 501- (C) (6) |
| Agricultural Promotion | <ul style="list-style-type: none"> Export Assistance Local food-supply chain Business services | <ul style="list-style-type: none"> Tax deductible contributions Favored by foundations Limited lobbying allowed | Public-Private 501- (C) (3) |

3.0 KEY RECOMMENDATIONS

As detailed above, the Board of County Commissioners has some choices to make about how to proceed. We believe that Lee County would be better served by a comprehensive and multi-strategy economic development approach. Based on our observations and experience we believe that any future economic development efforts would be improved by consideration of the following:

1. **Directly engage private sector in the economic development process.** The private companies and executives in the county can provide additional leadership, information and resources to the effort. Our interviews indicated the willingness of private businesses to support economic development.
2. For recruitment, **utilize an effective economic development delivery mechanism.** Clients expect a high level of service and a clearly articulated structure. The State Department of Commerce and Site Selection Consultants will not refer clients to any community where their clients cannot get the services they expect. Since different needed services are provided by both the County and the municipalities a level of cooperation is needed.
3. **Tell the Lee County Story better.** Develop a Marketing/Branding initiative that effectively projects Lee County's assets to a targeted audience. We found that many people within Lee County describe the county in terms of what it used to be, or struggle to adequately describe its assets. Stories of success and cooperation help communities project possibilities to prospective investors and to their existing businesses and citizens. Even within the urban core of the Research Triangle Region, Lee County's opportunities are not well known.
4. **Optimize existing assets.** Within Lee County there is an excellent regional, a well-respected community college, a good supply of water and sewer and some very good sites for new investment. Lee County is located centrally and has good access to the research universities, Research Triangle Park, RDU Airport, Fort Bragg, and proximity to the Piedmont Triad Region.
5. **Focus more effort on workforce development.** The availability of a good workforce is always a top factor for investment decisions. While Lee County does not have the workforce educational levels to successfully compete with nearby urban counties for employers requiring mostly college degreed workers, it can train a highly productive manufacturing workforce utilizing existing resources.
6. **Support midsize and existing high-growth companies**
Midsize companies (e.g., employee size 25 to 300) have proven to be a job creation and retention accelerator.
 - a. Coordinate partner resources including the Community College, SBTDC, Industrial Extension Service, and Cooperative Extension.
 - b. Develop criteria for targeted industries and companies
 - c. Create outreach tactics; collaborate among partner resources
 - d. Conduct needs assessments of small to midsize enterprises (SMEs)

7. **Develop an Entrepreneur Ecosystem**

The concept of having an entrepreneur ecosystem is a growing dynamic. It tends to be “place specific” in that it is unique to the characteristics of a county or region. The entrepreneurship ecosystem consists of six domains (below). Tactical plans to address each of these can be developed by resource partners (e.g., Community College, SBTDC).

- a. Create a conducive culture
- b. Establish enabling policies and leadership
- c. Work to secure availability of appropriate finance
- d. Focus program to enhance the quality of human capital
- e. Identify and target venture-friendly markets for products
- f. Ensure a range of institutional and infrastructural supports

8. **Explore new options for wealth generation** including expanded existing industry support, a targeted visitor effort, expanded workforce-exiting business partnerships, and exploration of the County’s energy assets. Each of these options requires specific actions from the County and in some cases other community partners.

It is important to note that the County does not have to wait on the completion of a strategic plan to begin acting on these recommendations. Good examples are #’6 and 7. Tactical plans can be developed with partners in the short term to focus on assisting existing businesses and entrepreneurs.

4.0 NEXT STEPS

For January 2013

1. The newly constituted Board of County Commissioners should have a facilitated discussion, or retreat, to determine their collective economic development priorities as soon as possible.

For February 2013

2. Since much of the funding for economic development funding has been supplied by the County Commissioners in the past, the Board should initiate a community-wide economic development summit to establish a shared understanding of the County's current economic situation and to determine if a process to develop a comprehensive economic growth strategy, that would be shared by the multiple stakeholders, is possible. This will require a high degree of cooperation between the County Commissioners, the Mayors and Town Councils, the EDC, the Chamber of Commerce and the Community College, plus others.

For February through May 2013

3. If it is possible, then a multiparty multiyear strategy for economic growth should be developed in the first half of 2013.
4. If it is not possible to reach agreement, the Board of County Commissioners should develop a comprehensive approach for their efforts and resources in 2013 in time to be included in the upcoming budget.

Ongoing, beginning July 1, 2013

5. Regardless of the choices made on focus and structure the Board of County Commissioners should develop a regularly updated dashboard of economic indicators and updates on economic development goals online so that all citizens and businesses can follow the County's progress.
6. An annual economic development gathering should be held to bring County stakeholders together to receive information on progress and economic information.

5.0 APPENDICES

Please note the following appendices used to support the findings and recommendations in the Report:

- 1. First Consulting Summary (July 25, 2012)**
- 2. Where is Lee County Today?**
- 3. Lee County Unemployment through July 2012**
- 4. Unemployment since 2000**
- 5. Lee County Residents Employed**
- 6. In-County Jobs (2000 to 2012)**
- 7. In-County Jobs (type of industry)**
- 8. In-County Average Wages**
- 9. Lee County Average Wages (manufacturing)**
- 10. Labor Force Change**
- 11. % In-County Manufacturing Jobs (2000)**
- 12. % In-County Manufacturing Jobs (2000/% 2011)**
- 13. In-County Job Change (2000-2011)**
- 14. In-County Wage Change (2000-2011)**
- 15. In-County Manufacturing Job Change (2000-2011)**
- 16. Lee County Avg. Wages-Manufacturing**

From: Ted Abernathy
Sent: Tuesday, January 22, 2013 8:50 AM
To: John Crumpton; Charles Parks; Gaynell Lee
Cc: dparks@sbtdc.org
Subject: RE: Followup from January 16th session

I hope you all agree with me that the session last week was a productive start to a broader process. I felt that the Commissioners had a good opportunity to understand their individual positions and also identified some areas of agreement. Here are a few of my take aways;

There seemed to be agreement that;

- The Commissioners want a **more diversified economy** for Lee County and a more diversified or holistic approach to economic development. While there was not agreement as to how much effort to continue to invest in recruitment, there was agreement that other economic development strategies such as existing business support for retention and expansion, small business support, efforts to assist startup businesses, agricultural promotion, visitor promotion, workforce training and others should be part of the future economic development effort.
- The Commissioners want to **improve the county educational attainment levels and the educational results** (graduation, degree, certificate). They were clear that they saw the relationship between education results and a strong economy. There was also agreement to look for best practices as a guide.
- The Commissioners indicated that there was a need to **improve many of the Quality of Life measures around health, safety, education and housing**, both to make the County more attractive to new investment and to improve the QOL of current residents.
- There was general agreement that more needed to be done to build a better sense of place, including improvements in culture and other things that would **build the County into a "destination location"**.
- There was general agreement that there was a need to **better project a positive brand, or image, for the County** and the business environment in the County. There was discussion of the message, the delivery systems (website, marketing) and also of the benefit of collaborating with other groups to project a common brand.
- There was general agreement that the County should engage and maybe initiate more **regional infrastructure planning**.
- There was general agreement, after a lot of discussion, that there should be **outreach to local citizens** through town hall meetings and other efforts to get them more involved in economic development efforts, (broadly defined).
- While there was no agreement as to the specific use of incentives, there was agreement that a clearer policy could be developed and that this was an area that needed more discussion and review.

- There was agreement that the **development of a dashboard** to monitor the results of all the efforts and the holding of an annual **community-wide event to review the progress** was desirable and could help to keep the efforts focused. This would also provide the basis for annual adjustments.
- There seemed to be agreement that the **private sector should be involved in economic development**.
- Finally there was agreement that the Commissioners were looking forward to a **gathering on March 1st where all the stakeholders** in the County could gather and begin the process of determining a clear economic direction in the future. The composition and direction of the EDC, the role and contributions of other entities and overall expectations for results were all mentioned as expectations from that meeting.
- There was also a general agreement that a **comprehensive multi-year economic development strategy** would need to be developed in 2013 to provide the foundation for future effort.

Please let me know if you disagree with these areas of agreement or if you think there were others that I have missed.

Next Steps;

- Dan and I will begin to work with John to develop an agenda for March 1st
- Dan and I will work with Crystal to develop a survey that will be distributed in February and the results will be reviewed at the March 1st meeting. We will send a draft to John and Charlie to get approval prior to any distribution.
- Dan and I will prepare an interim agreement for our work on the January and March events.
- Dan and I will also prepare a proposal for a more comprehensive plan and planning process so that you all can have an idea of what such an effort might cost prior to the March 1st meeting.

We will also work with John and Gaynell to support the County's outreach to other stakeholders for the March 1st meeting. We think the invitation should come from the Commissioners but we stand ready to help in any way we can.

Please let me know if this sounds like a good way forward.
Ted Abernathy

Consultants' Summary Report

March 18, 2013

To: Charlie Parks, Chairman, Lee County Commissioners
John A. Crumpton, County Manager

From: Consultants:
Dan Parks, NC State University, Small Business and Technology Development Center (SBTDC)
Ted Abernathy, Southern Growth Policies Board

This report reflects the Commissioners' charge for this project and the findings & recommendations from our December 28, 2012 Consultants' Report. We are pleased to submit this report that focuses on results from the January 16, 2013 Board Retreat and from the March 1, 2013 Economic Summit.

In this report, we also provide some recommendations and suggested ways to move forward and help achieve economic growth for Lee County. It is understood that the Board will want to fully review this report and our recommendations, potentially make changes, and then consider how you want to move forward. We will be happy to meet in person with the Board and discuss potential next steps.

In the December 28, 2012 Consultants' Report (**attachment #1**) the Consultants made the following recommendations:

1. Directly engage private sector in the economic development process.
2. For recruitment, utilize an effective economic development delivery mechanism.
3. Tell the Lee County Story better.
4. Optimize existing assets.
5. Focus more effort on workforce development.
6. Support midsize and existing high-growth companies.
7. Create an Entrepreneur Ecosystem.
8. Explore new options for wealth generation including expanded existing industry support, a targeted visitor effort, expanded workforce-exiting business partnerships, and exploration of the County's energy assets.

In consideration of these recommendations, the Commissioners agreed to the Consultants' proposed next steps and agreed to an interim contract with the Consultants to accomplish these specific tasks:

Task One: Facilitate an internal Strategy Session for the Board of Commissioners (January 16, 2013).

From this session, the Commissioners identified these areas general of consensus to move the process forward. Note that the full write up from the January 16 session is attached (**#2**).

- 1) Achieve a more diversified economy for Lee County
- 2) Improve County Educational Attainment Levels, Results
- 3) Improve Quality of Life: health, safety, education, housing
- 4) Build the County into a "destination location"
- 5) More positive brand image
- 6) Engage in more regional infrastructure planning
- 7) Involve private sector in economic development

Task Two: Design and administer a Lee County Community/Leader Survey.

An electronic survey was developed and distributed. Over 350 people responded to the survey (24.4% of which own a business in Lee County). Full survey results are attached (#3); below are summary results:

Top responses to most important to a successful plan:

1. Collaboration between business, government, and education
2. Adequate resources to implement plan
3. New ideas
4. New sources of revenue for economic development

Top areas of Lee competitiveness:

1. Location
2. Highway accessibility
3. Natural resources

Important sectors for the future:

1. Advanced manufacturing
2. Energy
3. Pharmaceuticals
4. Advanced medical care

Top area for economic development investment:

1. Business recruitment
2. Workforce development
3. Education

Task Three: Conduct the Lee County Economic Summit.

The Summary Results from the Summit appear below. Full transcripts of the Summit are attached (#4).

SUMMARY: The Lee County Economic Summit (March 1, 2013)

The Commissioners outlined specific objectives for the Summit that the Consultants worked to reflect in the design of the event and the agenda of activities. The over-arching objective of the Summit was to bring the community together—engage multiple stakeholders and provide a forum for folks to address economic growth issues. In addition, the Commissioners wanted to establish a shared understanding of Lee County’s current economic situation, and to determine the broad parameters and the process to develop a comprehensive economic growth strategy going forward.

The summit was well attended with over 70 people actively participating in a series of exercises and discussions. Space was created so that people could write down their thoughts for the record as well as engage in total group conversation. The key areas that the Summit addressed are summarized below. We have intentionally left the comments in the form they were offered with no editing on our part.

Participant Outcomes

Participants were asked to share their hopes and ideas for the process going forward, and for the final plan. Some of the suggestions are summarized by category below.

Cooperation and Collaboration

- Develop consensus among government, political, business, agribusiness, and civic leaders on an economic development plan while continuing to foster collaboration and understanding of all stakeholder concerns and viewpoints – resolve dissonance between partisan groups as well as public and private groups
- Creative consensus about tangible, realistic strategies to proactively address obstacles to our economic development goals
- What local government is willing to commit to in the private/public partnership to enhance economic development

Funding Sources, Commitments, and Details

- Determine and agree upon all funding sources and details regarding the economic development initiative
- Why should private companies invest in economic development when there is no commitment from public entities

Create, Commit to, and Follow the Plan

- Clear direction from the county on their goals for economic development
- A plan that can be committed to, agreed upon, implemented, and measured to help all aspects of economic development in Lee County
- Process going forward is quick and concise with action steps and a time table for implementation

Other Outcomes

- Hear the vision of our county that our elected officials have
- Bring Lee County up a level to be a more desirable place to live and work
- Understand the immediate and long term needs for the economic development to be successful

- Assist the development of existing small and large businesses currently operating in our community
- Identification of most viable and successful tools for economic development and how we use those in Lee County

Your Aspirations—Success for Lee County

After a presentation of the process and input to date, and the current economic reality in Lee County, participants discussed their views on what Lee County's current position is. Afterwards they were asked to share their aspirations for where Lee County can and should be in the future. Their responses are summarized below.

Education

- Developed and improved education, from K-12 through college level, improving graduation and dropout rates as well as quality of the educational system
- Well-educated population with sustainable strategies for addressing educational needs of new residents (and the business, industry, and other sectors)
- Kids are graduating, getting degrees, and moving back to Lee County to work and raise a family
- **Unemployment**
- Unemployment rates are lowered and job quality, availability, and wages all increase
- Unemployment rate of 6%
- Significant drop in unemployment we have been in bottom 15% in state make realistic move to be in top 25%
- Wage profile greater than state norm by 10%
- Four companies in the 100 – 500 employee range have started

Beautification and Development

- Invested in improving public areas, downtown areas, and areas near major highways as well as creating new attractions and amenities to quality of life, such as a sports complex, new green ways, or a water park
- County wide high speed internet connection for all
- Strong downtown "night life"
- Recreational destination

Tourism

- City/county collaborated and made key investments that targeted infrastructure that brought industry here, created a tourism promotion effort that expanded its civic center creating a regional leader for meetings and downtown growth

Other Aspirations

- Collaboration of a diversified group of community leaders has led to job growth in Lee County due to focusing on higher education of residents, attracting people to Lee County to live with "The Story of Lee County," diversifying recruitment of types of employees

- The successes include not only what we have and need to nurture that – we realized that we needed to identify other sources i.e. types of industry/business etc. but most important we solved the funding mechanism, to allow the process to evolve and be implemented
- Leaders look at issues five years in advance, not the “fire of the day”
- Not a bedroom community – self-sustaining, unique image

New Economic Development Corporation

There was a presentation by members of a group made up of the Lee County Commission Chair, Mayor of Sanford, Mayor of Broadway, two members of the EDC Board, two members of the Chamber Board, and several additional private sector representatives, has been meeting since early February. Their recommendations are summarized below. The handout that they provided the participants is attached (#5).

The Proposal for a new Economic Development Corporation generated considerable discussion and questions. Some of the comments and questions are below:

- What is the County's investment in ED? \$192,047 county, city is 85k, 2600 from Broadway, but this does not include investments in infrastructure
- Show companies what they are going to get back, will the local governments support it
- Focus the effort; want specific timelines on transition to more private money
- Lots of numbers and metrics need to be on the table
- Business is tired of lack of collaboration

Planning Process and Final Plan

At the start of this segment, the Consultants asked for a show of hands to indicate the desire and consensus around a strategic plan for Lee County. There appeared to be unanimous support with no one expressing dissension. From that point, participants were asked for what they think is important in the process and in the final plan.

- Need to define collaboration, talk a lot about it but do not practice it
- Be strategic, do not get lost in the weeds
- All stakeholders at the table
- Careful with public input because people think it is a done deal
- Cut a deal and move on
- Include diverse community, must bring everyone to the table, youth, Hispanic
- Big impact of agriculture
- Workforce development

Outstanding Issues (Areas of Disagreement)

Throughout the previous exercises a lists of areas of where there was no obvious census was maintained. After the lunch break the group began to discuss those areas and try to determine a path toward resolution. A summary is provided below. While more discussion is needed on each item, these suggestions from the participants provide some of the framework and raise some of the questions that must be resolved to move forward. There was not time to reach consensus on the “ways to resolve”. So they represent individual suggestions.

| Area of Disagreement | Ways to Resolve |
|--|---|
| How to Fund the economic development (EDC) effort | Definitive strategic and tactical plans with milestones and criteria for success that will be funded; build budget and expectations consistent with resources Get specific on public money and private money Guarantee existing public funding at current levels for 2 years Look to comparable peers across the state and country for models; choose one; evaluate it after period of time; if it worked, keep it, if not dump and try another Keep a model (or devise one) that ensures diversity of voices and stakeholders and the table – create ex-officio members? |
| Balance of public and private stakeholders in decision making process | Excellent and frequent communication |
| Lee County Story | County, cities must have a unified message |
| Natural gas extraction | Focus on positive attributes with adequate safeguards |
| Water/sewer city controlled with annexation | Guarantee county residents will not be annexed if they tie into city water and sewer |
| Incentive policy | Fact based assessment of pros and cons, benchmarking with competitors Survey lost businesses Offer them but controlled by rules applied to all – key is to create employees in Lee County |
| Understand the Importance of property tax rates | Survey of businesses |
| Government role to financing | Recognize the investment and chart the ROI |
| Agriculture and development growth are going to be in competition | Ideas to grow in non-agricultural areas’ infrastructure |
| Physical appearance of our community is a low priority (US Open) | Allocate resources to promote beautification and physical appearance |
| Expansion of CCCC and Civic Center | Do it – make good on past funding promises by projecting benefits to city/county |
| Lee county is blue collar manufacturing – no vision for new paradigm as world and economy change | Look for new development such as retirees, medical, housing, construction, quality of life (swimming, baseball, soccer tournaments, etc.) but must increase facilities as improved culture, library, etc. |

One Great Idea

The group was asked to suggest one great idea for Lee County. Below are some of the suggestions.

- Community unity: find one event we can all rally behind (as happened in tornado recovery) that can be ongoing, generating common pride, enthusiasm and community cooperation building
- Transform Lee County with oil and gas exploration, coupled with smart, cooperative regulation actions
- Pay Pre K – 12 school teachers at least 50% above state average and require teachers to live in county
- Make a name for Lee County; fund an innovative museum to bring people in from across the state; tourism money
- Develop a water park
- Develop local foods, local restaurants, recreational areas, education programs, farm and forest tours
- UNC establish a satellite campus for a four year program

Going Forward—What Are the Next Steps?

At the close of the Summit, the Consultants had good conversation with several Commissioners and a number of the attendees. There seems to be a high level of energy to continue to work to develop a new collaborative way to deliver economic development services. Through the process of going through all the written feedback, creating the transcripts, and having subsequent conversation with community leaders, the Consultants can suggest further ways to move forward.

First, the Commissioners need to review the transcripts from the summit, the attachments and additional information that have been part of these deliberations to determine a board consensus for next steps. There are several decisions that need to be made:

1) Additional public input

The Commissioners need to determine the need for a process to broaden input from the community through public meetings. At the summit, several commissioners indicated support for replicating the summit, in a shorter format, to share information and gather input from a broader cross-section of county residents and businesses. If the commissioners decide to proceed with this, we would recommend 3-5 community forums. One in each of the municipalities, one in a rural part of the county and marketed to the agriculture and rural residents of Lee County, and at least one for existing businesses would provide several benefits.

A broader understanding of the current economic realities in Lee County and North Carolina would develop a better informed citizenry. Input sessions would also give citizen a chance to provide input about their economic development priorities and would lay the foundation for broader community ownership of the eventual plan.

We recommend that the County Commissioners partner with several other groups to host input sessions across the county.

2) Development of Metrics

There was general agreement among the county commissioners that future economic development efforts, and funding, needed metrics to better evaluate impact. At the Economic Development Summit this sentiment was echoed by many participants, especially those from the private sector. A common refrain was the need to see a return on investment. This is a popular current theme for economic development groups across the country and is one that we support for Lee County.

We recommend that a dashboard of metrics be developed and broadly shared with the public. These metrics would serve multiple purposes.

- To evaluate the effectiveness of economic development funding and activities.
- To inform the overall community of the progress being made toward broader community goals such as safety, educational attainment, and poverty rates.
- To market or brand the community by providing comparable with surrounding communities.

The development of a dashboard of metrics should include both outcome metrics and output metrics.

Outcome metrics would measure and compare Lee County to competitors and also measure progress over time.

Common outcome growth metrics include:

- Job growth (employment by Lee County businesses)
- Employment growth (employment by Lee County residents regardless on place of work)
- Average wage growth of jobs in Lee County
- Growth in tax base (commercial and residential)
- Growth in retail sales (could also be per capita)
- New business formations
- Growth in agricultural products
- Growth in gross domestic product (overall output of workers in Lee County)
- Growth in export (from Lee County Businesses)
- Reduction in unemployment rate
- Reduction of commercial vacancy rates or rise in average rental rates

Common quality of life metrics:

- Improvement in educational attainment
- Community college attendance
- Reduction in crime
- Reduction in poverty
- Health factors such as infant mortality, occurrence of disease, hospitalizations, etc.
- Civic and family wellbeing (divorce rate, voting rate,)

A different type of metric would be those that measure the outputs of specific local efforts. As an example, output workforce measures might include:

- Growth in people receiving certifications and degrees from CCCC
- Growth in high school-business apprentices
- Reduction in CCCC remediation needed for Lee County graduates

Examples of typical output measures in economic development include:

- Visitations to local companies
- Lee county small businesses receiving assistance and support
- Local visits to Lee County by site location consultants
- Media placement of positive editorial content
- Site visits by clients
- Reduction in time from application to permit for a new business
- Increase in the availability of specific types of high-demand buildings

Clearly, there is value in monitoring and understand these metrics for planning and comparison purposes, but the County should also attempt to evaluate whether specific actions and funding have a causal impact on the results. Some metrics lend themselves to short term influence while others are much more dependent on global economic trends or state or federal investments or regulations.

As a program of work is developed for economic development activities funded by the county we recommend that a realistic consideration of impact be used to develop reasonable metrics. County priorities should drive both the activities that are funded and the outcomes that are expected.

We further recommend that a more comprehensive “dashboard” be developed for the county website to allow citizens to follow progress. Data collection could begin immediately and this deliverable is not dependent on any other actions. We recommend that the commissioners have a discussion about this and ask staff to begin working and a draft set of metrics based on the discussions.

3) Response to “Economic Development Task Force” proposal

A Task force made up of the Lee County Commission Chair, Mayor of Sanford, Mayor of Broadway, two members of the EDC Board, two members of the Chamber Board, and several additional private sector representatives, has been meeting since early February 2013 to develop a new organization and pathway for economic development. Recently this group has developed a set of recommendations for the County Commissioners. These recommendations include some immediate and some longer term suggestions. The County Commissioners need to determine how they want to respond to these suggestions and what funds they are willing to invest.

Several requests are part of the recommendations. One decision that must be made as part of the process is what level of support the County is willing to contribute to the on-going operations of the current Economic Development Commission. **We recommend that regardless of how the Commissioners want to proceed, that there be no interruption in the services available to prospective economic development clients.**

The task force also suggests the need for continuation of the planning process to convert the work that has completed into a detailed “program of work.” A program of work would incorporate the new areas of emphasis that have been expressed by the Commissioners such as small business assistance, agricultural support, enhanced branding and workforce development support. The program of work would form the rational for the required operational budget and the foundation for the metrics to measure impact. In addition, the task force plans to use this program of work and the expected results to raise private funds to contribute to Lee County’s economic development activities.

How to proceed is clearly one of the most important decisions that the Commissioners need to make. We have observed that increased investment from the private sector, more engagement of private businesses, a broader approach to economic development, and a detailed plan showing economic development activities have all been expressed goals of the County Commissioners. **We believe that the development of a detailed program of work for economic development in Lee County is a logical next step and that the County Commissioners should discuss how they want to respond to the task force and move forward.**

The task force also suggests other investments from the county into the long-term transformation of the economic development delivery system. **We recommend that the County Commissioners consider their interest in these proposals and work with the task force to continue the current momentum.**

Finally, once some of these other decisions have been made, the County Commissioners need to determine how to support their efforts going forward. Although the current contract with the SBTDC and Southern Growth concludes with this report, we would be happy to continue working with the commissioners, and possibly the task force, to help Lee County convert the work that has been done into a final product. We believe that additional public input could be completed in time for this year's budget if it is initiated in April. We also believe that a program of work with costs and expectations could be developed this spring. We agree with the task force that private sector fundraising would take 6-9 months.

We stand ready to answer any of your questions and will be happy to meet in person soon if needed. Through your efforts and the sincere interest of a number of Lee County stakeholders, there is good momentum for an economic growth strategy underway.

You have our thanks for allowing us to assist you in this important work.

Leading Lee County

Economic Growth Strategic Action Plan September 16, 2013

Lee County
The Center of Progress



Submitted by:



sbtdc
@ NC State University

This document is confidential and proprietary. It may not be circulated or disclosed in whole or in part without the written permission of the Lee County Commission.



TABLE OF CONTENTS

| SECTION | | PAGE |
|--------------------------------------|---|------|
| Key Contacts | | 2 |
| Executive Summary | | 3 |
| The Commissioners' Charge | | |
| Data Affecting Lee County | | |
| Community Engagement | | |
| From Here to There (Recommendations) | | |
| 1.0 | Purpose & Process | 6 |
| 2.0 | Current Economic Reality | 8 |
| 3.0 | Desire for the Future | 14 |
| | Inputs | |
| | ▪ Leadership Interviews | |
| | ▪ Commissioners | |
| | ▪ Surveys | |
| | ▪ Forum | |
| | ▪ Public Input Sessions | |
| 4.0 | Consultants' Recommendations—from here to there (drivers) | 21 |
| 5.0 | Metrics | 26 |
| 6.0 | Action Matrix | 29 |
| 7.0 | Appendices | 30 |

Key contacts for this project are:

Ted Abernathy

Executive Director
Southern Growth Policies Board
P.O. Box 12293
Research Triangle Park, NC 27709
919-941-5145
tabernathy@southern.org

Dan Parks

State Program Director
Strategy & Organization Development
SBTDC @ NCSU
115 Pomona Drive
Greensboro, NC 27407
336-315-7521
dparks@sbtadc.org

Southern Growth Policies Board

Formed in 1971, Southern Growth has helped states, regions and organizations with economic development strategy. The Southern Growth Policies Board has research strengths in economic development, strategic planning, future trend analysis, and leadership engagement. Southern Growth:

- Understands the economic landscape of the South
- Helps places understand trends that are influencing their economy
- Translates information and community priorities and values into plans for future success

SBTDC @ NC State University

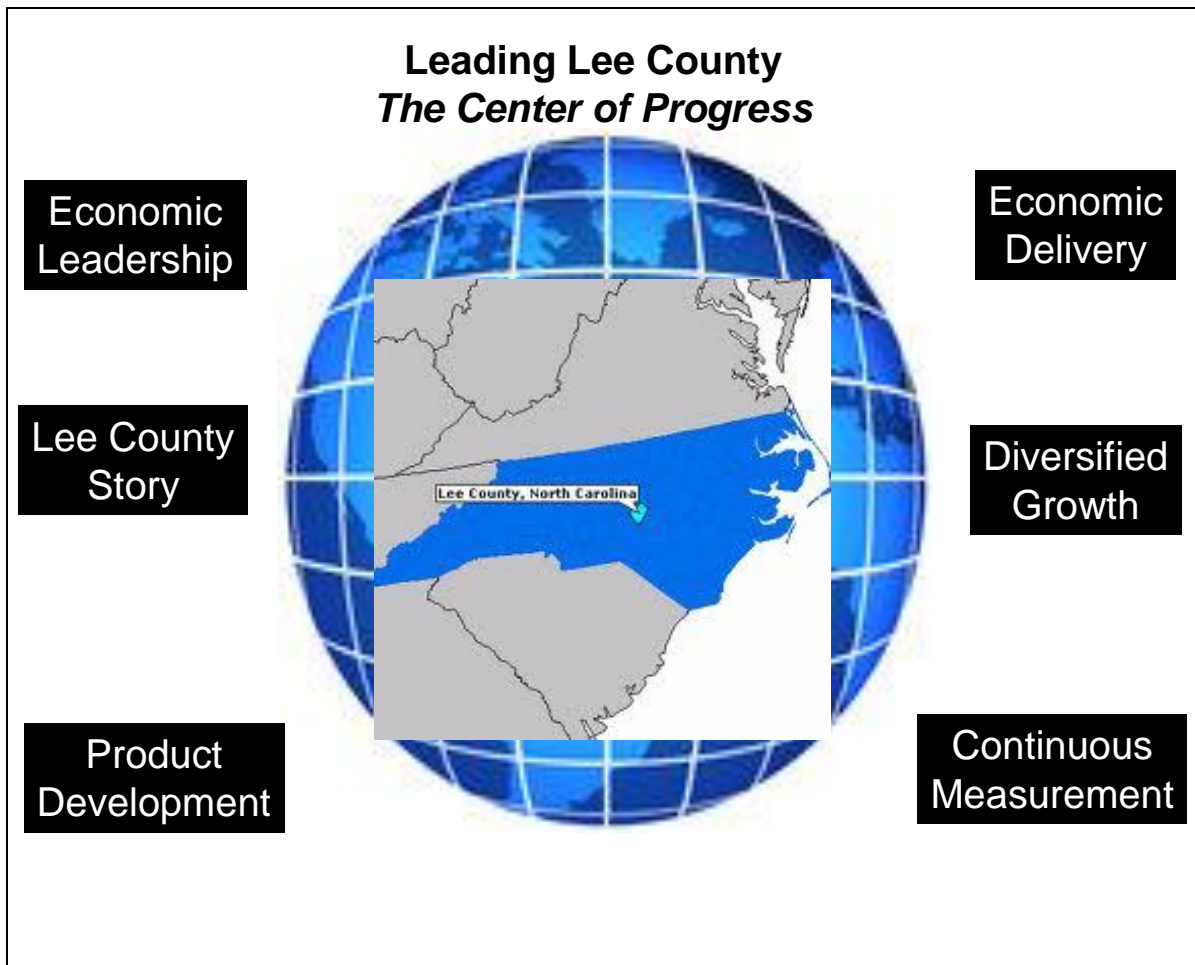
Having worked on a number of large-scale projects, the SBTDC brings a depth of experience and knowledge to economic development growth planning.

Established in 1984, the SBTDC is North Carolina's Business and Technology Extension Service. The SBTDC is an inter-institutional program of The University of North Carolina System, administered by N.C. State University. The SBTDC provides research, strategy, education, and counseling services to:

- Entrepreneurs and Small businesses
- High-Growth and Midsize Companies
- Economic Development and Community-Based Organizations
- Government Agencies and University Departments

The Lee County Strategic Action Plan

The Key Drivers



EXECUTIVE SUMMARY

Lee County has engaged the Southern Growth Policies Board (Ted Abernathy) and the NC State University Small Business & Technology Development Center (SBTDC) (Dan Parks) to consult and develop a strategic action plan for economic growth.

This plan reflects the Commissioners' charge and presents the compilation of comparative data and summation of generous feedback from across the community. During this project, the Consultants have provided two interim reports to keep the Commissioners informed of the process and the findings.

Importantly, this plan recognizes a key element in the data and feedback we received:

Lee County can build on its central location in North Carolina to be the ***Center of Progress*** for economic growth.

Consensus

Early in the Lee County planning process, the Consultants engaged the Commissioners in one-on-one and group discussions to align their individual priorities and reach a consensus for the county's economic future. While there are differing opinions on many specifics, the Commissioners identified these general areas of consensus to move the process forward. These have become the foundation for the strategic plan:

- 1) Achieve a more diversified economy for Lee County
- 2) Improve County Educational Attainment Levels,
- 3) Improve Quality of Life: health, safety, education, housing
- 4) Build the County into a "destination location"
- 5) Develop a more positive brand image
- 6) Engage in more regional infrastructure planning
- 7) Involve the private sector in economic development

These points of consensus were shared during a series of public forums, and were reinforced by community input. This enabled the Consultants to recommend these **key drivers** for future Lee County economic growth:

ECONOMIC LEADERSHIP
THE LEE COUNTY STORY
PRODUCT DEVELOPMENT
ECONOMIC DEVELOPMENT DELIVERY SYSTEM
DIVERSIFIED GROWTH
CONTINUOUS MEASUREMENT

The Current Lee County Economic Reality

A review of available economic data by the Consultants was completed and dozens of charts and graphs were presented at the March 1, 2013 Economic Summit. Four trends were deemed very important.

- 1) The Lee County economy is still experiencing high unemployment and has not recovered as quickly as either the state or many of the surrounding counties.
- 2) The manufacturing sector, which dominates the Lee County economy, has been contracting nationally, more so in recent years, and the impacts have hit Lee County hard.
- 3) Although the Research Triangle Region is one of the nation's fastest growing metropolitan areas, both in population and jobs, Lee County has grown at a slower pace.
- 4) As locational factors have evolved, an evaluation of the Lee County "product" is mixed and must continue to improve to successfully compete.

Community Engagement and Feedback

The consultants used individual leadership interviews, a community-wide survey, a large economic summit, three public forums and focus group sessions with the agricultural specialist and the Lee County department heads to gather input and align the ideas of hundreds of Lee County residents and business leaders.

Consistent themes that emerged in the community engagement included:

- Broad belief that the central location, community college, airport and available water and sewer represented competitive advantages
- The educational level and workforce skills of the local population needed to be improved
- The local image is undefined and unknown
- Manufacturing is important to the local economy, but the County's economy needs broader diversification with a corresponding expansion of the job base (high priority)
- Agriculture is important to the economy, but is threatened by growth and other factors
- A new, improved, and cooperative structure for delivery of economic development services could improve the results
- Broad collaboration was needed to maximize the return on economic development efforts
- The private sector needs to participate and contribute to economic develop in Lee County
- The return on economic development investments and incentives should be measured and shared with the public
- The county incentives policy needs to be reviewed and improved

From Current Reality to Desire (Recommendations)

The primary purpose of this plan is to move the County from its current economic position to a more desirable future position. In order to do that effectively, the plan focuses on where the greatest returns on effort can be realized. The “Key Drivers” described below are also translated into an Action Matrix to provide the specific steps to execute the plan. (The recommendations are covered in detail in section 4.0.)

1) Provide Clear Economic Leadership

- Economic Development is County-led, and includes strong collaboration with the private sector.

2) Tell the Lee County Story Better

- Develop the Lee County “story”, and a marketing/branding initiative that effectively advocates Lee County’s assets to its targeted audiences.

3) Improve the Lee County Product

- Promote existing assets including an excellent community college, a good supply of water and sewer, and some very good sites for new investment, while simultaneously addressing deficiencies such as education and quality of life.

4) Reinvent Economic Development Delivery

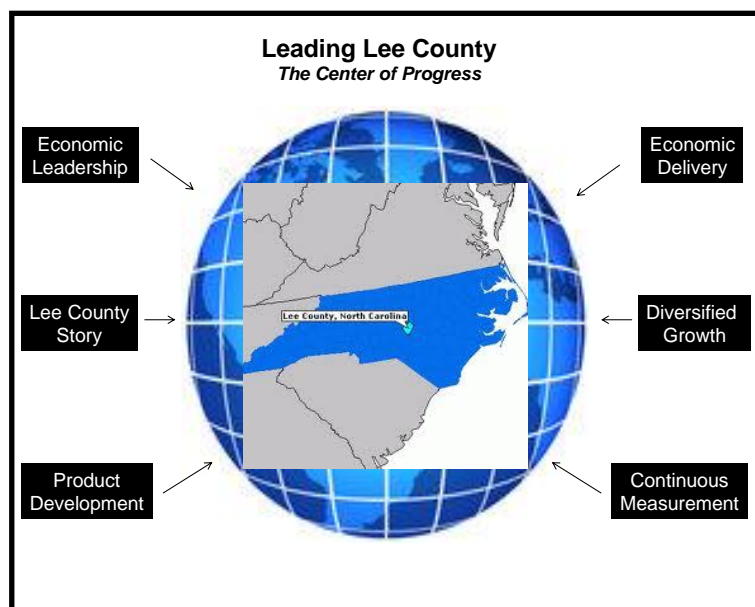
- Develop a new cooperative approach to economic development that includes the private sector and other institutional partners.

5) Promote Diversified Growth

- Rather than just recruitment, focus on “wealth creation”. Bring wealth and money into the county through improved recruitment, a targeted visitor effort, expanded workforce development, exploration of the County’s energy assets, intensified support of existing midsize and high-growth companies, building an entrepreneur ecosystem, and attraction of more high wealth residents.

6) Continuous Measurement

- Measure economic activities and return on investment for all economic development activities and broadly share the information throughout the community.



SECTION 1: PURPOSE & PROCESS

Purpose

Compared to previous efforts, this plan is county-led. This extends to ways in which County Leaders engage with all stakeholders as well as how resources are applied to economic development efforts.

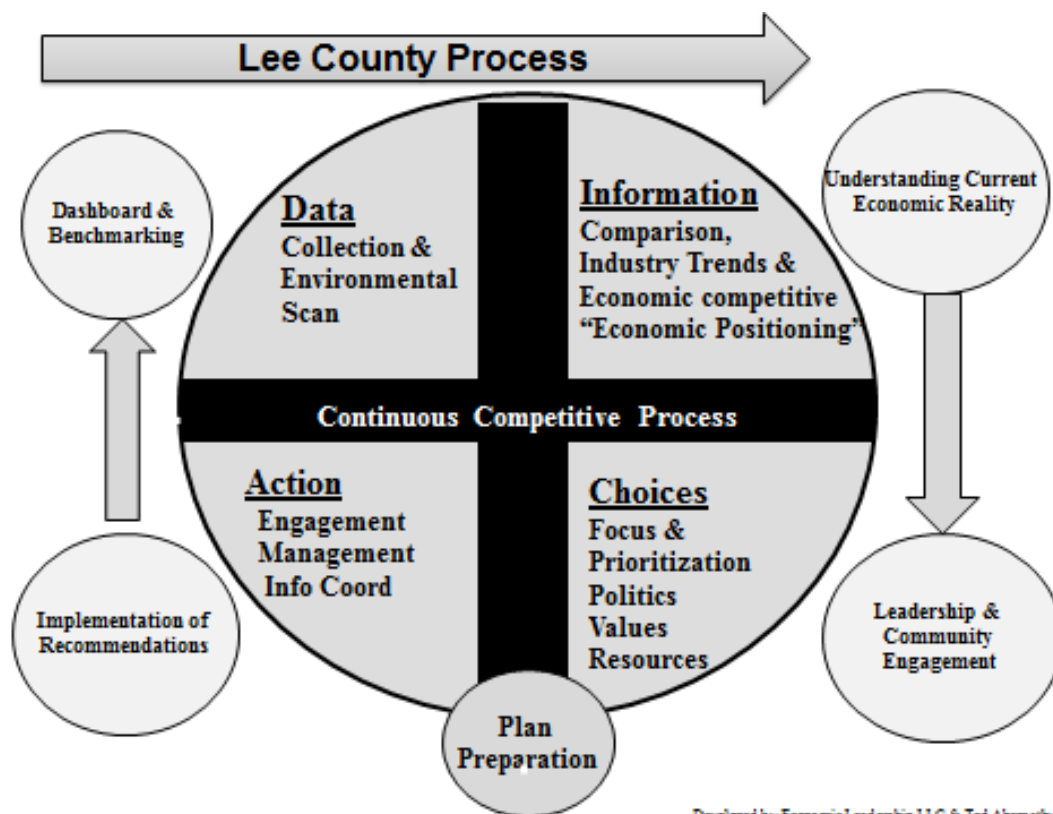
From the early meetings with County Leadership, it was clearly expressed that the purpose of this plan is to reposition the County's economic development structure and strategies in order to grow its economy. In short, the charge given by the Commissioners was to create a new productive phase for Lee County.

The planning process began with an assessment of available data and existing plans. Next an extensive public input process engaged citizens and leaders in choice making. The result is this set of recommendations. The key to success is allocation of responsibilities and resources to implementation, followed by continuous measurement and

In addition, a clear part of the Commissioners' charge was that the plan must translate into action. It was recognized that there were a number of good planning efforts in the last few years, but these former plans lacked consensus, and were not actualized.

Process

As such, the Consultants designed a planning process utilizing the elements in the proven "positioning model" (below).



SECTION 2: LEE COUNTY CURRENT ECONOMIC REALITY

The Lee County Economy - Current Reality

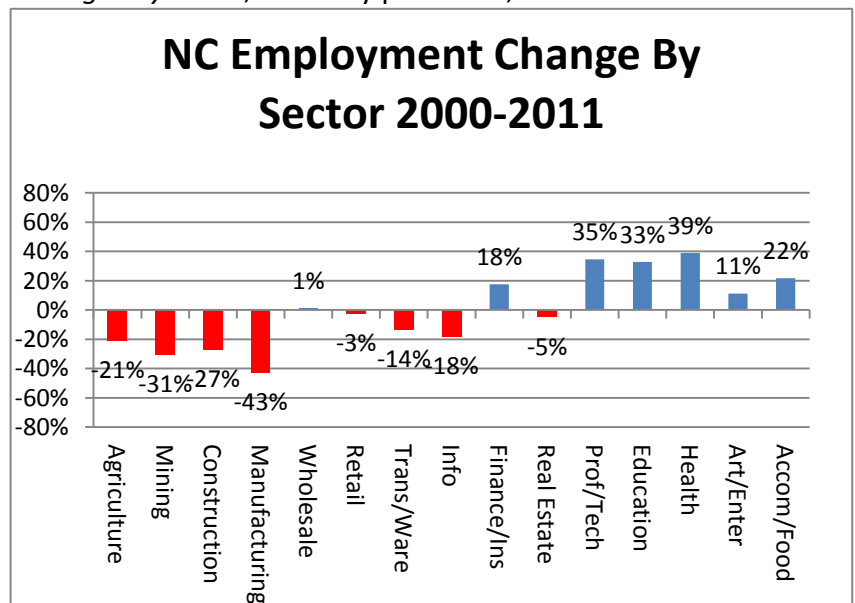
Contextualizing Lee County's Economy in a Global Economy of Rapid Change

Over the past two decades the national and North Carolina economies have transitioned through the worst recession since before World War II. After more than 4 years of recovery, many places, including Lee County, are struggling to replace lost jobs. As a nation we are still millions of jobs, and years, short of full recovery. The global slowdown in overall growth and especially the continued recession in Europe, our largest traditional trading partner, have resulted in an uncertain and tepid recovery.

During the same period we have also experienced rapid global change. The impacts of globalization, urbanization, manufacturing transformation, and corporate restructuring have rewritten the rules of "place" competitiveness. North Carolina has been profoundly impacted and Lee County and its citizens have been swept along in the change.

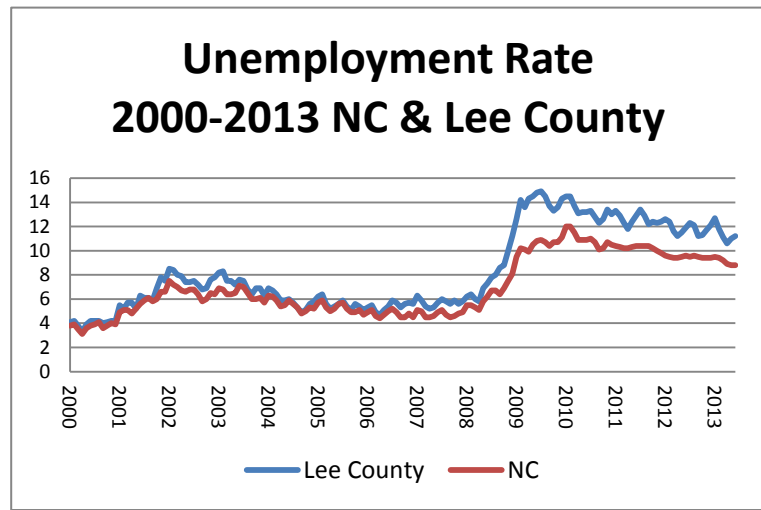
Both the economies of North Carolina and Lee County have long been dominated by manufacturing, but in recent years the state has lost a high percentage of its manufacturing jobs. Employment growth has been dominated by finance and insurance, health and education services, and business and professional services. To effectively craft economic development policies and allocate resources, Lee County needs to understand the changes and choose a new path forward. Simply put, more of the same will yield diminishing economic success.

Globalization's impacts cannot be overestimated. In 1986 the Southern Growth Policies Board report, *Halfway Home and a Long Way to Go*, correctly predicted, "the opportunity offered by world markets is balanced by the challenge of world competition." At the time, most policy analysts assumed that we would be competing and trading with European countries whose economies were similar to ours and a few lower cost countries where low-wage manufacturing was beginning to migrate. The fall of the Soviet Union and the opening of Eastern Europe in 1989, the market reforms in India in 1991, and most significantly the economic transformation of China precipitated by Deng Xiaoping's



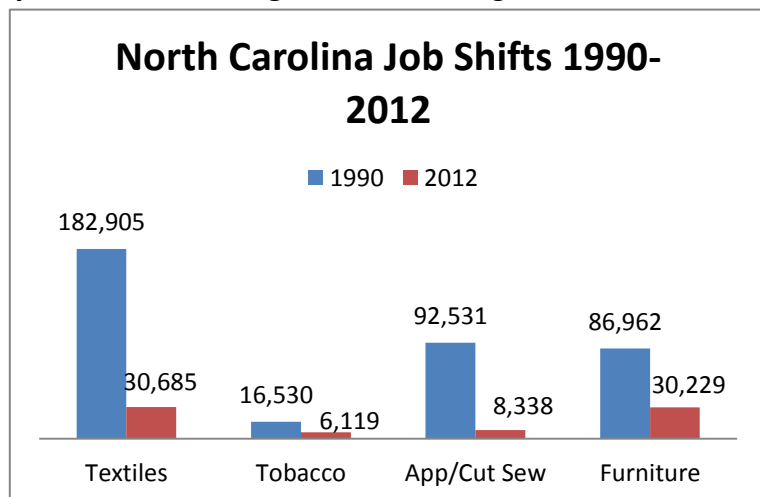
adoption of free-market reforms that began in 1978, have dramatically changed the number and types of free-market workers with whom southern workers must compete. The scale was unimaginable in 1986. Over the past 25 years, global trade has exploded.

Globalization has affected the South with jobs and traditional industries, such as textiles and apparel, lost to new competitors. Public policies such as the North American Free Trade Agreement in 1994 accelerated some of that change. However, globalization brought “in-sourced” jobs with increased foreign direct investment (FDI) by multinational companies and new markets for manufactured and agricultural goods for export. The balance of the impact remains hotly debated, but today the context is that the states of the South must operate in a very different world than was imagined in 1986. Place competition for prosperity has heightened. The impacts of accelerated globalization have exacerbated the gap between the places that are prospering and those that are not. For North Carolina, the traditional manufacturing sectors have witnessed an 80 percent loss of jobs.



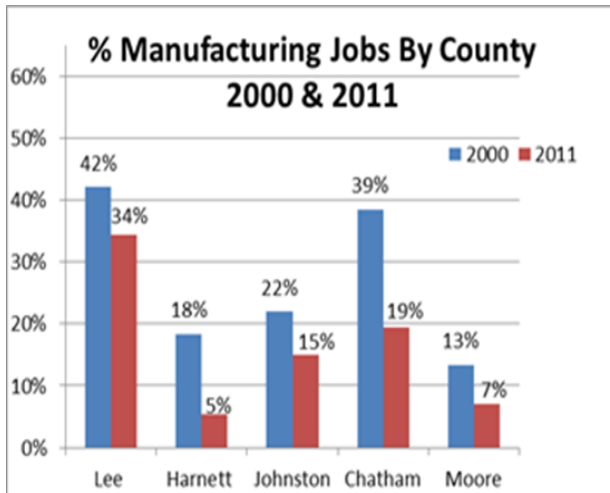
When examining Lee County’s economy several trends jump out. **The first is that the Lee County economy is still experiencing high unemployment and has not recovered as quickly as either the state or many of the surrounding counties.** During the recession the Lee County economy saw local unemployment rates climb to almost 15%. In contrast, the unemployment rates in the 2001 recession peaked at just over 8%. The depth of this recession was unprecedented and impacted manufacturing dependent economies more acutely than other communities.

Through much of the last decade Lee County’s unemployment rate has closely followed the state of North Carolina and consistently remained slightly higher than the unemployment rate for the Research Triangle Region. Since 2008, the local rate has stayed considerably higher than the regional rate and is also higher than the North Carolina rate.



Although some reduction has been seen in recent months, Lee County continues to suffer a double digit unemployment rate.

Second, the manufacturing sector, which dominates the Lee County economy, has been contracting nationally, more so in recent years, and the impacts have hit Lee County hard. Although we have seen some “reshoring” in recent months, the loss and the impacts on communities that are economically dependent on manufacturing have been devastating.



Even after recent losses 34% of the jobs in Lee County remain in the manufacturing sector.

Compared to neighboring counties, Lee has been more successful in maintaining a high percentage of manufacturing.

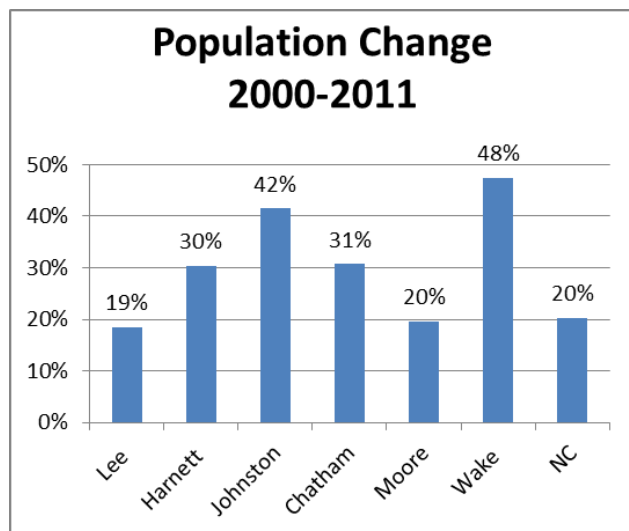
As can be seen in the chart below, according to the State Department of Commerce, 10 of Lee County's largest employers are still manufacturers

| | | |
|----|------------------------------------|-----------------------------------|
| 1 | Lee County Schools | Education & Health Services |
| 2 | Static Control Components Inc | Manufacturing |
| 3 | Coty LLC | Manufacturing |
| 4 | Pilgrim's Pride Corporation | Manufacturing |
| 5 | The Pantry Inc. | Trade, Transportation & Utilities |
| 6 | American Cyanamid Co | Manufacturing |
| 7 | Amisub Of North Carolina Inc | Education & Health Services |
| 8 | Central Carolina Community College | Education & Health Services |
| 9 | County Of Lee | Public Administration |
| 10 | Caterpillar Inc | Manufacturing |
| 11 | Pentair Pool Products Inc | Manufacturing |
| 12 | Frontier Spinning Mills Inc | Manufacturing |
| 13 | Tyson Mexican Original Inc | Manufacturing |
| 14 | Wal-Mart Associates Inc | Trade, Transportation & Utilities |
| 15 | Liberty Healthcare Group Llc | Education & Health Services |
| 16 | Kelly Services Inc | Professional & Business Services |
| 17 | City Of Sanford | Public Administration |
| 18 | Magneti Marelli USA Inc | Manufacturing |
| 19 | Moen Incorporated | Manufacturing |
| 20 | J T Davenport & Sons Inc | Trade, Transportation & Utilities |

Since 2000, the manufacturing jobs have also continued to change and companies are demanding higher skills from their employees. This is reflected in the jump in manufacturing wages from an annual rate in Lee County of \$31,131 in 2000 to 2012 wages of \$45,511. Overall average wages of in-county jobs are higher in Lee County than in the surrounding counties.

Third, although the Research Triangle Region is one of the nation's fastest growing metropolitan areas, both in population and jobs, Lee County has grown at a slower pace. This could reflect another trend impacting places across America. The persistent problem of brain drain from rural communities combined with the more intensive focus by corporations on educated workers to drive innovation have reduced rural communities ability to compete for emerging new-economy jobs. Dense populations offer greater worker choices for employers and job opportunities, and have fueled the migration of educated workers. The new infrastructure favored, or even required by businesses, air service, broadband, and access to higher education resources, has favored cities. Some rural areas and small towns, especially those within the commuter shed of fast growing metropolitan areas have prospered as housing, retail and jobs have moved out. So too have places that enjoy a beach, a national park, mountains or some other tourism attribute. Gaming or other entertainment developments have transformed some places, with an ongoing debate on actual benefits. More recently, rising commodity prices or alternative energy have funneled wealth into rural areas.

From a location standpoint Lee County is both centrally located in North Carolina and close to many positive attributes. It is also close to the core of the Research Triangle region. RDU airport, with the opening of the 540 toll road is less than 40 minutes' drive from most of the Lee County population. Nevertheless, population growth has been slower than the state as a whole and considerable slower than many of the neighboring counties. Part of the explanation is the global trend toward urbanization. Urban areas across the United States and the world have been growing at a much faster rate attracting rural residents and young people entering the workforce for the first time



More problematic for Lee County's economy is the lack of growth of in-county jobs. The number of Lee County residents employed has grown slightly reflecting the population growth, but the number of jobs within the county has dropped. This trend is reflected in most of the non-urban counties in the state and among most of the surrounding counties. Due to more commuting the impacts are felt more in tax base growth. While the balance of labor force and in-county jobs is almost equal, about 30 % of Lee county residents commute out each day and about the same percentage of in-county jobs are filled with people commuting into Lee County.

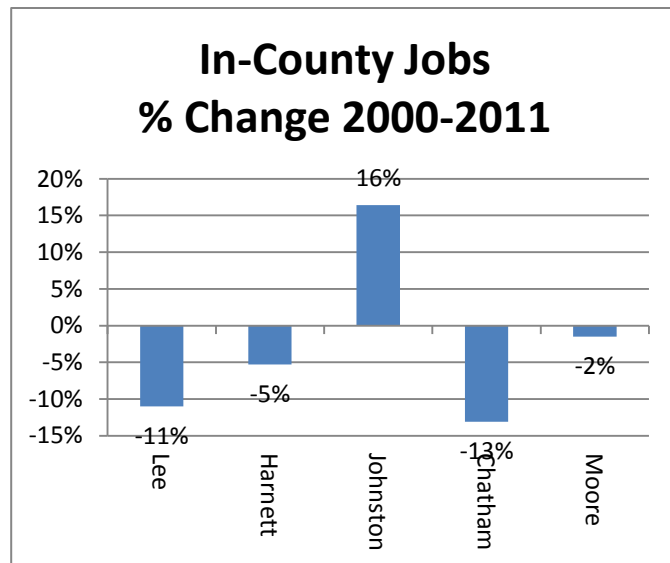
During the information sessions and public input sessions, a common observation was that many of those commuting in for jobs each day were managers in the major businesses. Many people expressed the negative impact that they felt this was having on the local economy.

Finally, as locational factors have evolved, Lee County's "product" is mixed and must continue to improve to successfully compete.

The locational factors that influence site location have been evolving in recent years. Some of these changes are benefitting Lee County while others are creating challenges. For different types of companies different factors are more important. With intense national and global competition for jobs, investment, and talent the bar to be successful continues to rise.

There are dozens of community characteristics that any locale needs to be competitive. The top factors are a combination of costs, labor, infrastructure, location and regulation.

Below are the top 10 locational factors that were rated by businesses executives and site selection consultants in two recent studies:



Factors Identified as Most Important for New Investment by *Area Development Magazine* Survey of Site Selection Consultants in 2011:

1. Highway accessibility
2. Labor cost
3. Available skilled labor
4. Corporate tax rate
5. Occupancy costs
6. State and local incentives

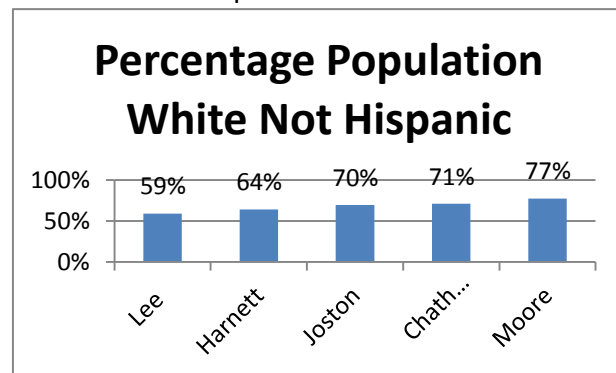
7. Energy availability and cost
8. Tax exemptions
9. Proximity to markets
10. Low Union Profile

What Matters Most in Site Selection as Determined By a *Site Selection Magazine* Survey of Business Executives in 2012:

1. State & local tax scheme
2. Transportation infrastructure
3. Utility infrastructure
4. Land/building prices & supply
5. Ease of permitting and regulatory process
6. Existing workforce skills
7. Local economic development strategy
8. Legal climate
9. Availability of incentives
10. State economic development strategy

Lee County's current competitive positioning is also a product of its demographics. Lee County has a higher percentage of young people, those under 18, than Chatham or Moore County and fewer seniors, those over 65. When compared to Harnett and Johnston, Lee has a lower percentage of youth and a slightly higher percentage of seniors.

Lee is the county within this group with the most diversity. As can be seen on the chart, Lee's white non-Hispanic population is less than 60%.




Educational attainment levels are a clear competitive disadvantage for the county. Among its neighbors Lee County has the lowest percentage of the population with a high school diploma and the second lowest with a bachelor's degree. This certainly hurts the county as it competes for more knowledge-based industry jobs.

SECTION 3: DESIRE FOR THE FUTURE

The Commissioners prioritized public engagement throughout this process. The Consultants were asked to develop multiple ways to get citizen idea and priorities for economic development. Following this direction, the Consultants employed a series of feedback tools including: 1. Community Leader Interviews; 2. Community Survey; 3. County-wide Economic Forum; 4. County Manager/Department Head session; and 5. Public Input Sessions in Sanford, Broadway, and Deep River. In addition, a special-called input session was held for Agriculture Representatives. Feedback is summarized below.

1. Community Leader Interviews

Following the charge of the Commissioners, the Consultants conducted interviews with individual Lee County leaders.

| Summary of Community Leader Feedback | | |
|---|--|---|
| REALISTIC COMPETITIVE ADVANTAGES <ul style="list-style-type: none"> Shale gas reserves Community College (industrial training) Water Airport MIXED REVIEWS <ul style="list-style-type: none"> K-12 Tourism/Visitors QOL amenities Industrial Park (not prominent) History/Legacy Sanford Pottery Fest | IMAGE <ul style="list-style-type: none"> Poor job of getting out message Tell the story differently Get the attributes out there—close to the Triangle, the Triad, Fort Bragg Low cost of living Known as having a # of small to midsize manufacturers | BARRIERS TO LEE COUNTY'S GROWTH <ul style="list-style-type: none"> Lack of collaboration; no means to address Lack of workforce skills No effective message/story Poor economic development transaction No visitors' bureau Lack of clear policy/agreement on incentives Lack of leadership Lack of a plan Quality buildings Slow regulatory process Inability to attract/retain talent |
| WHAT WILL HELP LEE COUNTY <ul style="list-style-type: none"> Agree on structure for economic development Involve the private sector; engagement Optimize assets—notably the community college—impact on recruiting and support of existing businesses Support targeted high-growth companies Tell our story Optimize our infrastructure Explore other options—energy, tourism |  | EFFECTIVE PLAN OUTCOMES <ul style="list-style-type: none"> Be able to tell the story Stronger industry input (CEO forum) Look longer term for plan to follow Improve collaboration-communication Create a better delivery structure for economic development; have the capacity to deliver services Support entrepreneurship Support existing small to midsize companies |

2. Community Survey

Summary of Community Leader Feedback

A web-based survey was designed with input from county leadership. Representative populations were identified and specific questions outlined for strategic feedback. The results of the survey demonstrated the level of interest from the business and broader community in Lee County economic development. Over 350 people responded to the survey (24.4% of which own a business in Lee County).

The top responses to “The most important elements to a successful plan” were:

- Collaboration between business, government, and education
- Adequate resources to implement plan
- New ideas
- New sources of revenue for economic development

Top areas of Lee competitiveness:

- Location
- Highway accessibility
- Natural resources

Important sectors for the future:

- Advanced manufacturing
- Energy
- Pharmaceuticals
- Advanced medical care

Top area for economic development investment

- Business recruitment
- Workforce development
- Education

3. Economic Forum

Below is a summary of the March 1, 2013 Community Economic Forum outcomes:

| Summary: Outcomes of Strategic Plan; Aspirations | |
|---|--|
| Cooperation and Collaboration...utilize the strength of experience and familiarity with the Sanford-Lee County business, corporate history and cooperative spirit | Developed and improved education, from K-12 through college level, improving graduation and dropout rates as well as quality of the educational system |
| Hear the vision of our elected officials | Assist the development of existing small and large businesses currently operating in our community |
| Funding for the Plan; commitment to the Plan | What are the actions local government is taking to enhance the growth of small business |
| New organization to lead economic development | All "investors" demand a pro-forma P&L and balance sheet before investing |
| Bring Lee County up a level to be a more desirable place to live and work | Expand manufacturing to broaden worldwide output |
| Ways to bring new businesses and jobs to Lee County | Commitment toward developing visitation-tourism |
| Tell Lee County story; improve image; express what makes Lee County unique from other counties; beautification; amenities | Build on the agriculture legacy |
| Diversity of employment | Managed, well planned economic growth through energy development, continued concentration on education |
| Significant drop in unemployment we have been in bottom 15% in state; make realistic move to be in top 25% | Encourage independent thinking and contributions; have continued meetings such as this; create a leadership council |
| Taxes, regulations that encourage big growth | |

At the forum, there was a short presentation on a proposed Economic Development Corporation. Following that presentation, these were the key comments:

| Feedback @ Forum: Proposed Economic Development Corporation | |
|---|---|
| Want a different effort, greater effort | Must take a regional approach because people do not care about county lines |
| Focus the effort, want specific timelines on transition to more private money | Determine the role of the private sector in economic development and recruiting |
| Need to tell the Lee County story | Would like to see bigger picture of quality of life issues |
| Be specific on the County's investment in economic development. | Need clear metrics on all the right things |
| Show companies what they are going to get back | Collaboration from public sector is required |
| ROI is common ground | |

Forum participants were also asked about their one great idea for growing Lee County:

| Summary: "Great Ideas" | |
|---|---|
| <p>Commitment in the coming fiscal year for the public entities to double their funding to staff this enterprise in the first year only – in order to show support and get things going</p> <p>Board representation should involve one leader from each area of economic development whether they are a stakeholder or not – diversity!</p> <p>Capitalize on Sanford/Lee county central location with roads/rails/airport/water/sewer/natural energy resources – sell our stuff!</p> <p>If we pursue branding understand that the "product" should be what forms the image</p> <p>Identify and focus on economic growth sectors</p> <p>Transform Lee county with oil and gas exploration, coupled with smart, cooperative regulation actions</p> <p>Community unity: find one event we can all rally behind (as happened in tornado recovery) that can be ongoing, generating common pride, enthusiasm and community cooperation building</p> <p>Make a name for Lee county; fund an innovative museum to bring people in from across the state; tourism money</p> <p>Develop a water park</p> <p>Develop local foods, local restaurants, recreational areas, education programs, farm and forest tours</p> | <p>Work with or use similar business and industry recruiting tactics that the state of NC uses, use some of their ideas</p> <p>Acknowledgement of all the things in the community that people want to see established or improved and that that acknowledgement be made as public as possible</p> <p>Vibrant downtown with cultural and business opportunities that are unique within the region</p> <p>City and county will jointly develop a certified industrial site/park for industry recruitment</p> <p>Build trust in the leadership of Lee county</p> <p>Elect a dynamic mayor that can lead the city, county, and the town of Broadway</p> <p>Agree on a cohesive, competitive incentives policy</p> <p>Pay Pre K – 12 school teachers at least 50% above state average and require teachers to live in county</p> <p>Locally, fund and support public schools and CCCC</p> <p>Transfer innovative center N2 advanced manufacturing center</p> <p>Fund the Economic and Community Development building (formerly known as the Continuing Education building) at CCCC</p> |

4. Lee County Manager and Department Head Feedback

A session was facilitated by the Consultants to engage the County Manager and the Department Heads in mapping out ways in which the County is involved in current economic development programs and how that involvement will translate into the future:

| Summary: County Manager/Staff Feedback | |
|--|---|
| Economic Development Commission: Financial support of EDC Support of EDC in development of specific infrastructure support of industrial park properties | Quality of Life: Develop assets that would enhance development including county parks, Temple Theatre, Arts Council Housing Improve senior and retirement living Regional cultural events |
| Comprehensive Planning and Development: land management, transportation, infrastructure, inspection services, zoning, safety | Marketing and Promotion: Recruitment |
| Education: Financial support to Lee County School System Financial support to CCCC, apprenticeship programs with companies and community colleges, college high school early collage, company training | Business: Tax incentives for business agreements that add value to the tax base Seeking new retail businesses and restaurants Pursuing fracking opportunities |
| Visitors: Attracting visitors to the county particularly for weekends Working with ad hoc hospitality group to develop ideas – special events, sports tournaments | Infrastructure : Airport expansion 421 Bypass Solid waste programs 43 miles of river front amenable to canoe/ kayak adventures |
| New Military: Work with Ft. Bragg and surrounding areas on BRAC plus specific issues—housing, veterans services | Collaboration with surrounding communities: Regional planning Inter-local agreements |
| Information/data: Investigation and research of how viable it would be to designate certain parts of Lee County as natural gas fracturing areas Supporting, internet/ telecom/ entertainment infrastructure | Health & Safety: Primary health care clinic—broad-based testing and lab services The health department (with support from the county) has partnered with a local nonprofit entity, lee county industries (Ici) |

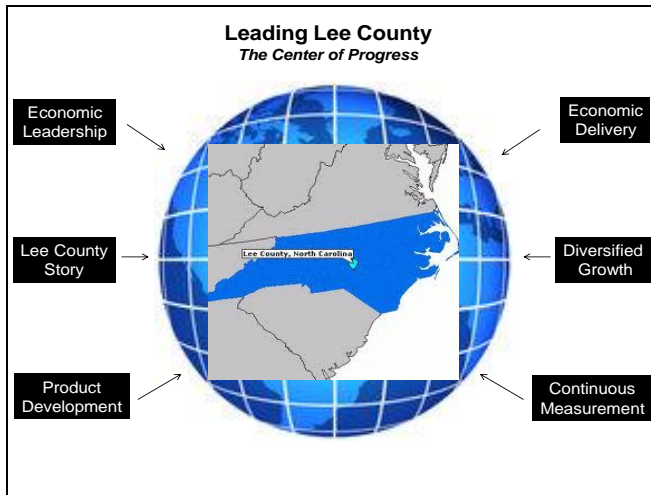
5. Public Forums

A series of public forums were conducted between May and July 2013 with the communities of Sanford, Broadway, and Deep River. There was also a special-called session with representatives from the Agricultural community. The feedback from these forums is summarized below:

| Summary: Sanford/Broadway/Deep River | |
|---|--|
| <p>Make sure that Lee County plan complements and aligns with the new state of NC Plan</p> <p>Focus on the return on investment (ROI) and make sure whoever is responsible is measured on results</p> <p>Because the city of Sanford controls the water and sewer the plan needs to have their support</p> <p>Be more aggressive with branding Lee County in Wake and Durham Counties</p> <p>Priorities should include: Opportunities for a diverse population</p> <p>Don't put all the eggs in one basket</p> <p>Towns need to be included</p> <p>Manufacturing must be a priority</p> <p>Focus on improving the demographics by encouraging a better product</p> <p>Skill training must be one of the top priorities</p> <p>Try to incent higher wage and skill workers to live here</p> <p>Incent high workers with investments in education, arts, recreation</p> <p>A better, high-end housing product (zoning requirements need to be strengthened)</p> | <p>Infrastructure to rural areas</p> <p>Farmland preservation</p> <p>Incentives to encourage the development of energy resources</p> <p>Use retirees to help with youth through volunteerism</p> <p>Measures:</p> <p>Tax rate</p> <p>Jobs for Lee County residents</p> <p>Aesthetics- sidewalks, underground power lines, etc.</p> <p>Curb and sidewalk</p> <p>Traffic counts</p> <p>Sales tax revenues</p> <p>Change in retail sales compared to surrounding counties</p> <p>Skill sets of labor</p> <p>Socio-economic factors</p> <p>Remember to love manufacturing</p> <p>Areas of Focus: How to get white collar jobs and get white collar to live in Lee County</p> |
| Measures of success | |
| <p>Decline in unemployment rate</p> <p>Good job creation</p> <p>Rise in median income</p> <p>Jobs for local citizens</p> <p>Jobs with Benefits</p> <p>Lower crime rate</p> <p>Entertainment usage</p> | <p>Satisfaction surveys</p> <p>Capture rates for entertainment and shopping disposable income</p> <p>Health of the environment, water and air quality</p> <p>Suggest:</p> <p>Better internal promotion for existing things</p> <p>Measure often-monthly</p> |

| Summary: Agriculture Representatives | |
|--|--|
| Agriculture as an ASSET to the economy | |
| <p>Rural county provides basics for property taxes open land is a gain</p> <p>Infrastructure of Agri-business; farms; companies (chickens/processing/cold storage)</p> <p>Brings in labor that is not just farm labor</p> <p>Technology and equipment utilized; equipment; tax on equipment is high</p> <p>AG drives other business—supply chain</p> <p>Promotion of Agri-tourism--Farmers Market, etc.</p> | <p>Diversified AG in Lee Co; forestry/road crops/poultry; green (nursery); livestock; horses;</p> <p>Other counties this is not the case</p> <p>Strong produce growing sector</p> <p>Always been here; even in bad years; dependable;</p> <p>Nat'l resources; #1 national resource; income to people; fuels other businesses;</p> <p>Pleasing to the eye rural landscape; nice landscape;</p> |
| Barriers for Agriculture in Lee County | |
| <p>Attitude; apathy toward AG by some persons/groups vs. becoming a Cary or ind community</p> <p>Urban sprawl/development; tobacco lands, etc.; Lee Co has so much land, but can be gone; Land sales-- even if someone can't turn down; IN has lost land equivalent to Indianapolis;</p> <p>Industrial company comes in; only here a short while; but farmers have stayed; farmers must be educated; has to be a business must be on top of;</p> <p>Gov't programs; have to be denied to get qualified; some banks don't work with AG;</p> <p>Lack of incentives/\$ for AG</p> <p>Over regulation; EPA, FDA;</p> | <p>Small family farms threatened; big AG can also go out of business</p> <p>Lack of interest by certain groups is a product of lack of education; hard to get AG program in schools</p> <p>Median age of farmers is increasing; kids don't have desire;</p> <p>New folks moving in don't understand AG; spreading chicken litter (stinks); irrigation;</p> <p>Have to go out of County to find equipment for tractor;</p> |
| What the County can do for Agriculture | |
| <p>AG needs a seat at the table; be a big part of County economic development</p> <p>Need more local state government awareness/education on value of AG</p> <p>Training/Technology; leads to job creation; need people to calibrate equipment; community college training on... series of things; Community College/Extension; more education/training;</p> <p>Assist; area farmers meetings; Are farmers organized? Need to come together and share</p> <p>Fund AG staff;</p> <p>AG needs advertising/marketing/billboards—"thank your farmer today"—e.g., Wayne Co (funding)</p> <p>Agencies; help a lot;</p> | <p>More support for Extension service; \$; publicity; starts in McSwain bldg;</p> <p>AG can build relationships; be a partner to Economic Development; can work with—infrastructure, etc.;</p> <p>How to help farmers diversify; e.g. Ashe Co; helping small rural farmers;</p> <p>In Sanford, allow advertising offsite of your property</p> <p>A cooperative with downtown Sanford; Extension working with</p> <p>AG will continue to change (in Lee Co); notably how it's changed the last 100 years;</p> <p>AG advisory board does meet with Commissioners; better than nothing, but revisit how it's organized; quarterly meetings—need to ramp up;</p> |

SECTION 4: CONSULTANTS' RECOMMENDATIONS



Leaders are dealers in hope.
Napoleon Bonaparte

1. Provide Clear Economic Leadership

Throughout the process the need for clear, collaborative, and innovative leadership was cited as a priority, if Lee County is to reach its economic potential. Leaders see the future, reduce complexity, tell the story, engage other leaders, and do things to improve their followers' lives.

- a. County Commissioners, the County Manager, and County Department heads should state that economic development is a top priority of County government and should demonstrate their leadership through the implementation of this plan.
- b. Establish systems and routines to engage and collaborate with the private sector on a regular basis.
 - i. Private companies and executives in the county should provide additional leadership, information and resources to the effort
- c. Support a new structure to deliver economic development services.
 - i. Program that systematically brings multi-sector leaders together to discuss ED issues on a quarterly basis during the first two years of the plan implementation.
- d. Create culture of learning and best practices for Economic Development.
 - i. Create a portal within the County Web site for economic development articles/information/etc.
 - ii. Develop a sustained leadership program for existing leaders and to ensure future leadership capacity.
 - iii. Hold a series of informational sessions on economic development for the public to both keep them informed on activities in the county and new ideas and resources

2. Tell the Lee County Story Better

Place-based branding has become a more important part of economic development marketing in recent years. Lee County is competing not only with communities across the south, but also globally for new jobs and investment. As North Carolina undergoes a new branding effort in 2014, and the Research Triangle Region continues to build on its strong international brand for technology and quality of life, Lee County must do a better job of raising its profile and telling a compelling story.

- a. Develop a set of marketing talking points that projects Lee County in the best possible light for multiple audiences.
- b. Develop a Marketing/Branding initiative with a written plan that effectively projects Lee County's assets to targeted audiences. This should be developed and implemented by multiple groups. The plan should identify audiences, marketing vehicles, budgets, timelines, responsibilities and metrics for evaluation.
- c. Align the marketing messages (story) internally. Start quarterly alignment meetings for all organizations that promote the different aspects of Lee County including the County, City, Town, Chamber, Visitors Bureau, Community College and others. This will align messaging and hard-wire collaboration.
- d. Collect and catalogue stories of success/cooperation to help project possibilities to prospective investors as well as to existing organizations, businesses and citizens.
- e. Develop a program for internal storytelling for citizens and local influencers; celebrate success publically; includes metrics.
- f. Develop ways to tell your story through social media, blogs and other new media outlets.
- g. Take advantage/leverage the marketing efforts of the North Carolina Department of Commerce, the Research Triangle Regional Partnership and all efforts to promote the military associated with Fort Bragg.

3. Improve the Lee County Product

A community's "product" is the sum of all the strengths and weaknesses that impact locational decisions. Physical, fiscal, human, institutional, and collaborative infrastructures combine to define a place. While Lee County has many strengths, it also has competitive weaknesses. To be successful in attracting new jobs it needs to promote the strengths and address the weaknesses.

- a. Promote and Maintain Existing Assets
 - i. Promote the fact that Lee County is located centrally and has good access to the research universities, Research Triangle Park, RDU Airport, and Fort Bragg.
 - ii. Promote the excellent well-respected community college, a good supply of water and sewer and some very good sites for new investment.
 - iii. Lee County has some suitable buildings. Continuous monitoring of the available buildings and the current requests from the State Department of Commerce and the Research Triangle Regional partnership should be

institutionalized. Promoting the available buildings to the regional real estate community should be a high priority.

- b. Improve the Demonstrated Skills of the Workforce
 - i. The availability of a good workforce is always a top factor for investment decisions. Educational attainment rates and certification of in demand skills should be improved and prioritized.
 - ii. While Lee County does not have the workforce educational levels to successfully compete with nearby urban counties for employers requiring mostly college degreed workers, it can train a highly productive manufacturing workforce utilizing existing resources. Target companies that need middle skills that can be developed by the community college, and build strong ties between the local employers and the community college and the high school.
- c. Continuously Monitor and Improve the Business Climate
 - i. Annually compare the development review and permitting process to surrounding competitor counties to ensure both speed and predictability
 - ii. Review the County's incentive policies to ensure competitiveness, transparency, and adequate legal protection for the County

4. Reinvent Economic Development Delivery

Recruitment clients expect a high level of service, a single point of contact, and a clearly articulated structure. Site Selection Consultants will not refer clients to any community where their clients cannot get the services they expect. Both the NC Department of Commerce and the Research Triangle Regional Partnership, the source for most Lee County recruitment clients are currently going through organizational changes. Lee County needs to reinvent its structure to successfully implement this plan. Since different needed services are provided by both the County and the municipalities a level of cooperation is needed.

- a. Develop a Public-Private system with shared responsibility and costs.
- b. Use a collaborative approach leveraging all existing assets; (Community College, RTRP, NCDOC, Cooperative Extension, Industrial Extension Service, SBTDC, etc.).
- c. Deliberately create structures to build cohesion such as regular institutional partner meetings.
- d. Develop a single economic development Web portal for all clients with all needed information provided and updated.

5. Promote Diversified Growth

Another theme that received widespread support throughout the process was the need to diversify the economy and the economic development activities. Lee County has had an economy dominated by manufacturing. It continues to be an important component of the economy. Recent expansions of existing manufacturers



and strong ties between existing businesses and the high school and community college demonstrate that the community needs to continue to value and support manufacturing.



Nevertheless, the economic health of a community is determined by all the wealth coming into the community.

To maximize opportunities and reduce the risk of another manufacturing recession, Lee County needs to support other economic development activities.

- a. Expand existing industry support by partnering with the Lee County Chamber of Commerce.
 - i. Develop a regular business visitation program with a goal of visiting 100 employers a year and all employers who employ more than 100 employees every year.
 - ii. Hold quarterly lunch discussions with employers (large and small) and the County Manager, key department heads and County Commissioners.
 - iii. Conduct an annual tour for County Commissioners of County businesses.
- b. Create a targeted visitor attraction effort.
- c. Expanded workforce-existing business partnerships.
- d. Explore the County's energy assets
- e. Maximize the impact of the agricultural sector by promoting exports of Lee County products.
- f. Target existing Lee County mid-sized companies for support. Midsize companies (employee size 25 to 300) have proven to be a job creation and retention accelerator.
 - i. Use resource partners (e.g., Community College, Industrial Extension, Cooperative Extension, and SBTDC) to design and deliver enhanced services.
- g. Develop a Lee County Entrepreneur Ecosystem.

The concept of having an entrepreneur ecosystem is a growing dynamic. It tends to be "place-specific" in that it is unique to the characteristics of a county or region.

 - i. Engage existing resource partners, (e.g., Community College, SBTDC, Cooperative Extension, Industrial Extension) to develop tactical plans.
 - ii. Encourage private leaders to develop a local Angel Network to fund promising businesses.

6. Continuous Measurement

Citizen and commissioner input highlighted the need to better monitor and measure the current economy and the Return on Investment for economic development funding.

- a. Develop a comprehensive “dashboard” for the county website to allow citizens to follow progress
- b. Hold an annual “state-of-the-county” economic summit to broaden the understanding of the economy to more leaders and citizens.
- c. Create expectations for each economic development activity and measure success against expectations.
- d. Purchase and use impact software for new projects seeking county participate or incentives.
- e. See Section 5 for more recommendations.

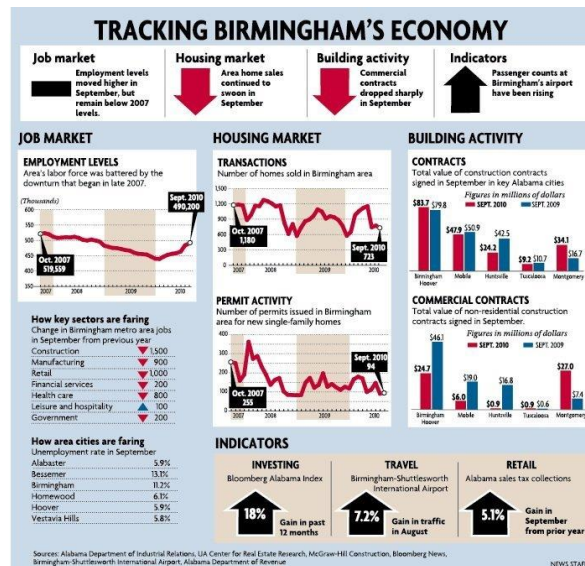
SECTION 5: METRICS

Development of Metrics

There was general agreement among the County Commissioners, and during the public input sessions, that future economic development efforts and funding, needed metrics to better evaluate impact. This is a popular current theme for economic development groups across the country and is one that we support for Lee County. An example from Birmingham can be seen in the diagram to the right. At the Economic Development Summit this sentiment was echoed by many participants, especially those from the private sector. A common refrain was the need to see a return on investment. At this summer's public input sessions we asked for recommendations for measures of success.

In addition to measuring the return on economic development activities there was also strong support for more broadly measuring activities and metrics of county performance. Specifically it was suggested that public policy decisions be informed by a commitment to continuous monitoring and measurement. Based on all the input:

We recommend that a comprehensive dashboard of metrics be developed, maintained by County staff, and broadly shared with the public.



These metrics would serve multiple purposes:

- To inform the overall community of the progress being made toward broader community goals such as safety, educational attainment, and poverty rates.
- To constantly monitor economic indicators so that the county can understand and react to changes and trends
- To evaluate the effectiveness of economic development funding and activities.
- To market or brand the community by providing comparable data with surrounding communities.

The county employs staff with expertise about the metrics that are currently being collected. We recommend that over the next few months, in preparation for the budget deliberations for FY 14-15, the staff work with the County Commissioners to develop a final set of indicators that can be maintained with existing resources.

We also recommend that indicators be collected and presented in 3 formats.

1. **Longitudinal Graphs** demonstrating the trends over time for the indicator.
2. **Comparative graphs** showing Lee County performance against neighboring and competitor counties
3. **Performance against goals.** During the next budget cycle the County should develop reasonable goals for the impact of their investments

Below are a set of recommended indicators for use in developing an agreed upon list:



Broad Economic Performance

- Job growth (employment by Lee County businesses)
- Employment growth (employment by Lee County residents regardless on place of work)
- Average wage by sector
- Average wage growth of jobs in Lee County
- Reduction in unemployment rate
- Increase in Gross County Product per Capita



Direct Economic Impact on County Government

- Growth in tax base (commercial and residential)
- Growth in retail sales (could also be per capita)
- Reduction in support payments due to economic position
- Growth in fees generated by growth



Targeted Economic Indicators

- Growth in agricultural products
- Growth in agricultural exports
- Growth in exports (from Lee County Businesses)
- Average commercial rental rates for commercial, industrial, and flex space
- Average vacancy rates for commercial, industrial and flex space
- New business formations



Demographics

- Population Growth
- Percentage of population under 18
- Percentage of population over 65
- Reduction in poverty rates
- Reduction in child poverty rate



Broad Quality of Place Indicators

- Improvement in educational attainment
- Community college attendance
- Reduction in crime
- Health factors such as infant mortality, occurrence of disease, hospitalizations, etc.
- Civic and family wellbeing (divorce rate, voting rate,)



Economic Development Activity Metrics

- Visitations to local companies
- Lee County small businesses receiving assistance and support
- Local visits to Lee County by site location consultants
- Site visits by clients
- Reduction in time from application to permit for a new business
- Increase in the availability of specific types of high-demand buildings



Specific Educational Improvement Measures

- Growth in people receiving certifications and degrees from CCCC
- Growth in high school-business apprentices
- Reduction in CCCC remediation needed for Lee County graduates

There is value in monitoring and understand these metrics for planning and comparison purposes, but the County should also attempt to evaluate whether specific actions and funding have a causal impact on the results. Some metrics lend themselves to short term influence while others are much more dependent on global economic trends or state or federal investments or regulations.

As a program of work is developed for economic development activities funded by the County we recommend that a realistic consideration of impact be used to develop reasonable metrics. County priorities should drive both the activities that are funded and the outcomes that are expected.

We further recommend that a more comprehensive “dashboard” be developed for the County website to allow citizens to follow progress.

In addition to a dashboard, since data is released at different times throughout the year, we recommend a social media platform be used to inform citizens. As an example, Gross County Product and exports by county are released annually, while the unemployment rate is released monthly, each could be tweeted or posted on Facebook as the data is published.

We also recommend that an annual State of the County event be used to align the public understanding of the progress from the previous year. The State of the Region event draws big crowds and raises enough funds to supplement the research needed to maintain the data throughout the year. This could provide a self-sustaining model for Lee County.

STRATEGIC ACTION PLAN

Any strategic plan requires organized methods to execute the plan. While the Consultants have not been engaged to assist with the execution phase, we have prepared an **ACTION MATRIX (appendix #1)** to help Lee County leaders and administrators with this process.

The matrix is provided as a management tool. It is intended to be a starting point for plan deployment, serve to help manage tasks over time, and keep implementation of the plan on track. Plan deployment and implementation should be monitored by designated leads.

The matrix is organized by the **key drivers** of this plan:

- I. Lee County Economic Leadership
- II. The Lee County Story
- III. Product Development
- IV. Economic Development Transaction/Structure
- V. Targeted Growth & Economic Diversification
- VI. Continuous Measurement

Using the comprehensive feedback we received, we have developed **Goals, Strategies**, and suggested **Actions**. Through our conversations some of these are more thorough, more fleshed out. Others require the further attention of the appropriate leadership and county management area to evaluate and move forward. All identified actions are intended to serve as solid starting points.

In addition, the Consultants will be happy to be engaged to further assist with plan execution as deemed appropriate.

There is also a separate section on Continuous Measurement where metrics can be agreed upon and tracked.

Please see appendix #1.

APPENDICES

The following appendices are provided to help support and document the development of the LEE COUNTY ECONOMIC GROWTH Strategic Action Plan. Some appendices were provided in previous Consultants' Reports, and are included in this final plan for newly elected officials and other new county leaders.

APPENDICES:

1. Action Matrix
2. 1st Consulting Summary (July 25, 2012)
3. 2nd Consulting Summary (December 28, 2012)
4. Board Session (January 13, 2013)
5. 3rd Consulting Summary (March 18, 2013)
6. Where is Lee County Today?
7. Lee County Unemployment through July 2012
8. Unemployment since 2000
9. Lee County Residents Employed
10. In-County Jobs (2000 to 2012)
11. In-County Jobs (type of industry)
12. In-County Average Wages
13. Lee County Average Wages (manufacturing)
14. Labor Force Change
15. % In-County Manufacturing Jobs (2000)
16. % In-County Manufacturing Jobs (2000/% 2011)
17. In-County Job Change (2000-2011)
18. In-County Wage Change (2000-2011)
19. In-County Manufacturing Job Change (2000-2011)
20. Lee County Avg. Wages-Manufacturing

Leading Lee County
The Center of Progress



STRATEGIC ACTION MATRIX

This Strategic Action Plan addresses these KEY SUCCESS DRIVERS (goal areas):

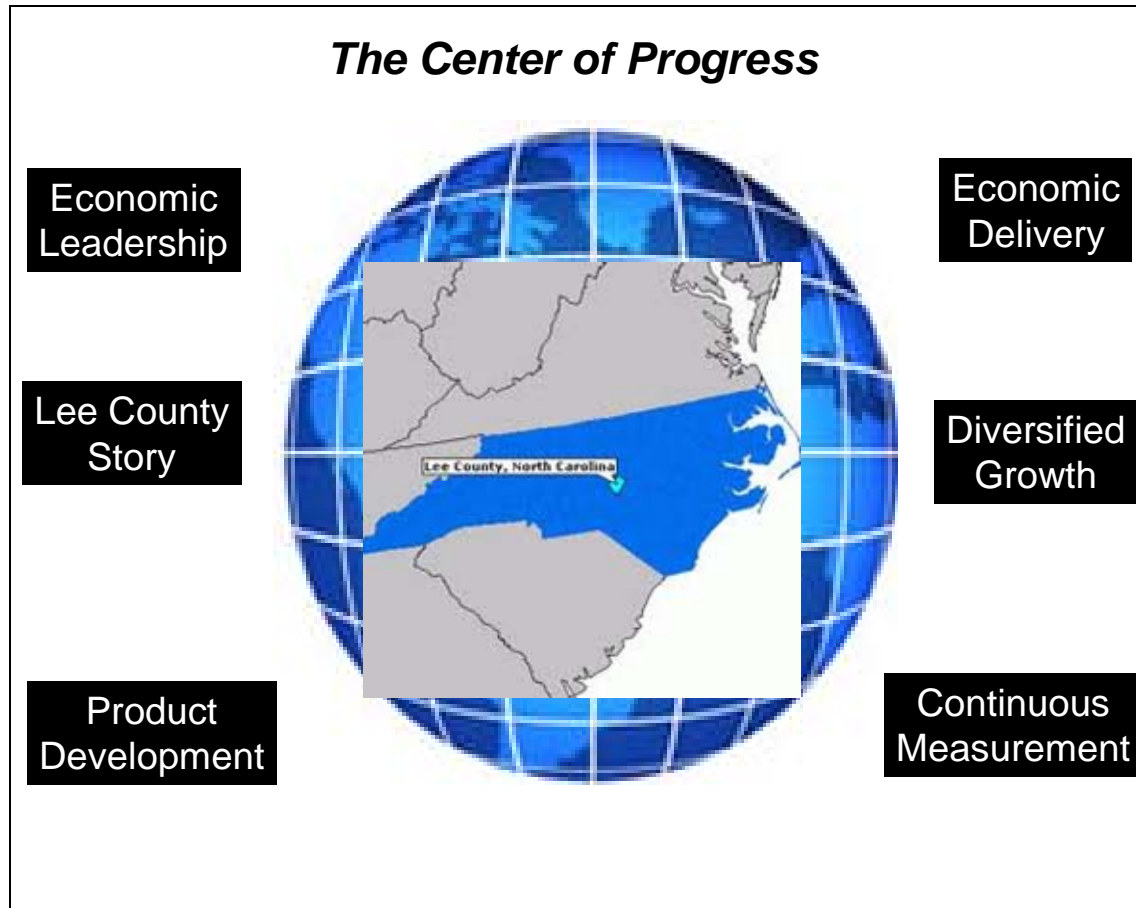
- I. Lee County Economic Leadership
- II. The Lee County Story
- III. Product Development
- IV. Economic Development Transaction/Structure
- V. Targeted Growth & Economic Diversification
- VI. Continuous Measurement

The matrix is provided as a management tool; it is intended to be a starting point for plan deployment, serve to help manage tasks over time, and keep implementation of the plan on track.

Plan deployment and implementation will be monitored by designated leads.

Economic Vision

LEE COUNTY WILL BE THE CENTER OF PROGRESS



I. Lee County Economic Leadership

| Goal 1.0 Provide clear economic leadership | | | | | | |
|--|--|--|---------|---------|---------|--------|
| Strategy 1.1 | | Establish disciplines and routines to implement/deploy this plan | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | | | | | | |
| 2 | | | | | | |
| Strategy 1.2 | | Establish systems and routines to engage and collaborate with the private sector | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | | | | | | |
| 2 | | | | | | |
| Strategy 1.3 | | Support a new structure to deliver economic development services | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Bring multi-sector leaders together to discuss ED issues | | | | | |
| 2 | Establish a quarterly interactive program | | | | | |
| Strategy 1.4 | | Create a culture of learning and best practices for Economic Development | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Create a portal for economic development articles/information/etc. | | | | | |
| 2 | Develop a sustained leadership program for existing (and future) leaders | | | | | |
| 3 | Hold an informational sessions on economic development for the public | | | | | |

II. The Lee County Story

| Goal 2.0 Tell the Lee County Story better. | | | | | | |
|---|--|------|---------|---------|---------|--------|
| Strategy 2.1 Develop a Marketing/Branding initiative with a written plan | | | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Segment the audiences who will receive communication | | | | | |
| 2 | Develop a set of marketing talking points | | | | | |
| 3 | Explore the range of effective marketing vehicles including social media | | | | | |
| 4 | Determine budget; outline timelines, responsibilities, and metrics | | | | | |
| 5 | Develop ways to tell the Story through social media, blogs and other new media outlets | | | | | |
| Strategy 2.2 Align the marketing messages internally | | | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Initiate quarterly alignment meetings that engage internal partners (County, City, Town, Chamber, Visitors Bureau, Community College, etc.). | | | | | |
| 2 | Determine the aspects of each partners message that can be promoted | | | | | |
| 3 | Collect and catalogue stories of success and collaboration | | | | | |
| 4 | | | | | | |
| Strategy 2.3 Develop a program for internal storytelling for citizens and local influencers | | | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Develop methods to celebrate success publically | | | | | |
| 2 | Identify; include metrics | | | | | |
| 3 | | | | | | |
| Strategy 2.4 Promote the County's assets (moved from Product section) | | | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Promote the fact that Lee County is centrally located and proximate to research universities, RTP, RDU Airport, and Ft. Bragg | | | | | |
| 2 | Promote existing assets including well-respected community college, supply of water & sewer, good sites for investment, etc. | | | | | |
| 3 | Promote available buildings to the regional real estate community | | | | | |

Strategic Action Plan**v2013-09-16**

| Strategy 2.5 | | Leverage, take advantage of the marketing efforts of partners | | | | |
|---------------------|---|---|---------|---------|---------|--------|
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Identify and engage partners including NC Department of Commerce, Research Triangle Regional Partnership, Piedmont Triad Regional Partnership, etc. | | | | | |
| 2 | Consider ways to promote military efforts with Ft. Bragg | | | | | |

III. Product Development

| Goal 3.0 Improve the Lee County product. | | | | | | |
|---|---|------|---------|---------|---------|--------|
| Strategy 3.1 Maintain and enhance existing assets | | | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Maintain continuous monitoring of available buildings, sites, etc. | | | | | |
| 2 | Enhance systems for responding to requests for building/site information from NC Department of Commerce, Research Triangle Regional Partnership, etc. | | | | | |
| Strategy 3.2 Continuously Monitor and Improve the Business Climate | | | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Review the County's incentive policies to ensure competitiveness, transparency, and adequate legal protection for the County | | | | | |
| 2 | Annually compare the development review and permitting process to surrounding counties | | | | | |
| Strategy 3.3 Improve the Demonstrated Skills of the Workforce | | | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Identify and support needed certification skills programs | | | | | |
| 2 | Target companies that need "middle skills" that can be developed by the community college | | | | | |
| 3 | Build strong ties between local employers and the community college and high schools | | | | | |
| Strategy 3.4 Improve educational attainment rates and certification of in demand skills | | | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Lead/assist in initiatives to improve educational attainment rates | | | | | |
| 2 | | | | | | |
| Strategy 3.5 Increase work experience opportunities for students | | | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | | | | | | |
| 2 | | | | | | |

IV. Economic Development Transaction/Structure

| Goal 4.0 Reinvent Economic Development delivery | | | | | | |
|---|---|------|---------|---------|---------|--------|
| Strategy 4.1 Develop a Public-Private system with shared responsibilities and costs | | | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | | | | | | |
| 2 | | | | | | |
| Strategy 4.1 Create collaborative approaches | | | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Leverage all existing assets (Community College, RTRP, NCDOC, Cooperative Extension, Industrial Extension, SBTDC, etc.) | | | | | |
| 2 | | | | | | |
| Strategy 4.2 Create structures to build cohesion | | | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Establish regular institutional partner meetings | | | | | |
| 2 | | | | | | |
| Strategy 4.3 Develop a single economic development Web portal for all clients | | | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Determine all needed information | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |

V. Targeted Growth & Economic Diversification

| Goal 5.0 Promote diversified economic growth | | | | | | |
|--|---|------|---------|---------|---------|--------|
| Strategy 5.1 Expand existing industry support | | | | | | |
| | Actions | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Target existing Lee County midsize companies (25 to 300 employees) for support | | | | | |
| 2 | Use resource partners for support | | | | | |
| 3 | Engage existing resource partners to develop tactical plans including Community College, Industrial Extension, Cooperative Extension, and SBTDC | | | | | |
| 4 | Design and deliver enhanced services | | | | | |
| Strategy 5.2 Explore the County's energy assets | | | | | | |
| | Actions | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | | | | | | |
| 2 | | | | | | |
| Strategy 5.3 Maximize the impact of the agricultural sector | | | | | | |
| | Actions | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Explore ways to bring agricultural leaders and resources "to the table" for plan execution | | | | | |
| 2 | Enhance export promotion; utilize key NCDOC and Extension resources | | | | | |
| Strategy 5.4 Engage County leadership with industry | | | | | | |
| | Actions | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Develop a regular business visitation program; goal of visiting 100 employers each year | | | | | |
| 2 | Hold quarterly lunch discussions with employers | | | | | |
| 3 | Conduct an annual tour for County Commissioners of County businesses | | | | | |
| Strategy 5.5 Create a targeted visitor attraction effort | | | | | | |
| | Actions | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | | | | | | |
| 2 | | | | | | |
| Strategy 5.6 Expand workforce-existing business partnerships | | | | | | |
| | Actions | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | | | | | | |
| 2 | | | | | | |

Strategic Action Plan
v2013-09-16

| | | | | | | |
|---------------------|--|---|----------------|----------------|----------------|---------------|
| | | | | | | |
| Strategy 5.7 | | Develop a Lee County Entrepreneur Ecosystem | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Explore developed models including Babson College; apply support elements including Policy, Capital, Support Resources, Labor, and Markets | | | | | |
| 2 | Connect to other initiatives including the UNCW led effort | | | | | |
| 3 | Engage existing resources in design including | | | | | |
| 4 | Pursue enhanced development of a local Angel Investor Network | | | | | |
| | | | | | | |
| Strategy 5.8 | | Attract/develop higher-end residential properties | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | Create more options for executives and others to live in the County | | | | | |
| 2 | | | | | | |
| | | | | | | |

VI. Continuous Measurement

| Goal 6.0 Evaluate, select, and apply clear metrics to gauge success | | | | | | |
|---|--|--|---------|---------|---------|--------|
| Strategy 6.1 | | Develop a comprehensive “dashboard” for county website | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | | | | | | |
| 2 | | | | | | |
| | | | | | | |
| Strategy 6.2 | | Hold an annual “state-of-the-county” economic summit | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | | | | | | |
| 2 | | | | | | |
| | | | | | | |
| Strategy 6.3 | | Create expectations and measure success against expectations | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | | | | | | |
| 2 | | | | | | |
| | | | | | | |
| Strategy 6.4 | | Purchase and use impact software | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | | | | | | |
| 2 | | | | | | |
| | | | | | | |
| Strategy 6.5 | | Develop social media to inform citizens | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | | | | | | |
| 2 | | | | | | |
| | | | | | | |
| Strategy 6.6 | | Work with partners in education and law enforcement to develop products/initiatives with a clear ROI | | | | |
| Actions | | Lead | 2013-14 | 2014-15 | 2015-16 | Status |
| 1 | | | | | | |
| 2 | | | | | | |
| | | | | | | |



Lee County North Carolina
Strategic Action Plan (September 2013)

VISION

Lee County is known as the CENTER OF PROSPERITY

INVEST in the LEE COUNTY VISION

| | |
|--|--|
| Economic Positioning | Leveraging where we are—In the center of North Carolina; close to the Triangle, the Triad, and Fort Bragg |
| Economic Leadership | A County-led plan; demonstrating collaboration through public-private partnerships throughout Lee County |
| Economic Delivery | Delivering service through best practices and continuous measurement; involving both private leadership and resources |
| Work Force | Building on our commitment to align our educational assets with the needs of industry |
| Manufacturing | Enhancing our manufacturing tradition; maximizing our manufacturing assets |
| Diversifying our Economic Focus | <ul style="list-style-type: none"> • Focusing on fast-growing industries • Maximizing our agricultural assets • Attracting tourism • Exploring our energy assets • Building an entrepreneur ecosystem |
| Community Support | Engaging Sanford, Broadway, and rural communities in our combined success stories |

LEADERSHIP

Goal 1: Provide clear economic leadership.

Strategies

- Establish disciplines and routines to implement/deploy this plan.
- Establish systems to engage and collaborate with the private sector.
- Support a new structure to deliver economic development services.
- Create a culture of learning and best practices for economic development.

THE LEE COUNTY STORY

Goal 2: Tell the Lee County story better.

Strategies

- Develop a marketing/branding initiative with a written plan.
- Align the marketing message internally.
- Develop a program for internal storytelling for citizens and local influencers.
- Promote the County's assets.
- Leverage the marketing efforts of partners.

PRODUCT DEVELOPMENT

Goal 3: Improve the Lee County product.

Strategies

- Maintain and enhance existing assets.
- Continuously monitor and improve the business climate.
- Improve the demonstrated skills of the workforce.
- Improve educational attainment rates.
- Increase work experience opportunities for students.

ECONOMIC DEVELOPMENT TRANSACTION/STRUCTURE

Goal 4: Reinvent economic development delivery.

Strategies

- Develop a public-private system with shared responsibilities and costs.
- Create collaborative approaches.
- Create structures to build cohesion.
- Develop a single economic development and Web portal for clients.



Lee County North Carolina
Strategic Action Plan (September 2013)

TARGETED GROWTH & ECONOMIC DIVERSIFICATION

Goal 5: Promote diversified economic growth.

Strategies

- Expand existing industry support.
- Explore the County's energy assets.
- Maximize the impact of the agricultural sector.
- Engage County leadership with industry.
- Create a targeted visitor attraction effort.
- Expand workforce-existing business partnerships.
- Develop a Lee County Entrepreneur Ecosystem.
- Attract higher-end residential options.

CONTINUOUS MEASUREMENT

Goal 6: Evaluate, select, and apply clear metrics to gauge success.

Strategies

- Develop a comprehensive "dashboard" for county website.
- Hold an annual "state-of-the-county" economic summit.
- Create expectations and measure success against expectations.
- Purchase and use impact software.
- Develop social media to inform citizens.
- Work with partners in education and law enforcement to develop projects with a clear Return on Investment (ROI).

LEE COUNTY NORTH CAROLINA

The Center of Progress

